



RISHABH INSTRUMENTS LIMITED

(Formerly Rishabh Instruments Private Limited)

August 22, 2024

To,
National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G Block, Bandra-
Kurla Complex, Bandra (East), Mumbai –
400051
NSE Symbol: RISHABH

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
21st Floor, Dalal Street,
Mumbai – 400001
BSE Scrip Code: 543977

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2023-24

In compliance with Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the Financial Year 2023-24.

Kindly take the same on your records.

For Rishabh Instruments Limited

Ajinkya Joglekar
Company Secretary and Compliance Officer
ICSI Membership No.: A57272



Measure



Control



Record



Analyze



Optimize

Empowering **Sustainability** with Smart **Solutions**



ACROSS THE PAGES

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Investor Information

Market Capitalisation (March 28, 2024)	INR 168,798.30 Lakhs
CIN	L31100MH1982PLC028406
BSE Code	543977
NSE Symbol	RISHABH
AGM Date	September 13, 2024
AGM Venue/Mode	VC/OAVM

Disclaimer: This document contains statements about expected future events and financials of Rishabh Instruments ('The Company'), which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

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Notice



Empowering Sustainability with Smart Solutions

Rishabh Instruments envisions a future where sustainable innovation forms the foundation of energy solutions. With over four decades of expertise, the Company has established itself as a trusted partner in the energy, railways, and solar industries. Its commitment to sustainability is more than corporate responsibility; it is the core of the Company's mission to deliver smart, efficient, and reliable power solutions.

The theme, 'Empowering Sustainability with Smart Solutions,' encapsulates Rishabh Instruments' approach to addressing the evolving needs of the industry. This commitment is evident in the development of energy efficient current transformers, power quality solutions, and innovative solar inverters. By prioritising quality and continuous improvement, the Company strives to position itself at the forefront of sustainable technology.

The Company's diverse product portfolio justifies its dedication to a greener future. Collaborations with global partners have led to advancements such as the IIOT-enabled RADIUS inverters, which are fully manufactured in India and come with a decade-long warranty. These initiatives reflect the Company's focus on quality, innovation, and local manufacturing capabilities.

To support its mission, Rishabh Instruments maintains advanced testing and certification facilities, providing comprehensive services that ensure its products meet high standards of quality and compliance. This empowers not only its product development but also assists the customers in achieving their sustainability goals.

Rishabh Instruments believes that empowering sustainability means more than creating products; it's about crafting solutions that enable customers to enhance their energy efficiency and meet environmental objectives. As the Company moves forward, it remains committed to its role in driving sustainable innovation and providing smart, reliable power solutions that contribute to a more sustainable future for all.



POWERING SUSTAINABLE, SMART, AND ENERGY EFFICIENT SOLUTIONS

Rishabh Instruments ('Rishabh Instruments,' 'The Company') is engaged in the business of manufacturing, designing, and development of global energy efficiency solutions. The Company focusses on providing solutions for electrical automation, metering and measurement, and precision-engineered products.

Since its inception, Rishabh Instruments has been a global leader in optimising energy use and enhancing operational efficiency across various industries. Renowned for manufacturing and supplying analog panel meters, it is also a leading global provider of low-voltage current transformers.

Its offerings include complete aluminium high-pressure die-casting (HPDC) solutions. These cater to industries requiring precise fabrication, such as automotive compressor manufacturers and high-precision flow meter producers. With over 350 global authorised dealers and stockists, it serves more than 70 countries, including Germany, the US, the UK,

Australia, and the Middle East. Its operations are vertically integrated, and supported by robust in-house manufacturing capabilities.

The Company operates five manufacturing facilities located in India, Poland, and China, ensuring comprehensive in-house production. Its commitment to technology and R&D revolves around innovating products, processes, and applications to deliver exceptional value to patrons and the industry. Its R&D centres are accredited both nationally and internationally, cementing its dedication to excellence.

Products and Solutions for a Broad Range of Industries



Data Centres



Pharmaceuticals



Fast-Moving Consumer Goods (FMCG)



Automotive



Railways



Utilities



Petrochemical Sectors

By combining technological innovation with customer-centric solutions, Rishabh Instruments aims to support the transition to more sustainable and efficient energy practices worldwide.



VISION

The Group's vision is to achieve continuous growth through innovation and technological advancement in the field of energy measurement, automation products and die casting.



MISSION

The Companies shall engineer and provide products by efficient use of all resources consistently surpassing customer expectations on quality and delivery at competitive prices. The Companies shall achieve performance excellence through innovation and continuous improvements in processes, products and services to create opportunities for growth for all stakeholders of the organisation.



Four decades of business acumen with strong manufacturing capabilities, vertical integration, and in-house R&D

3,000*

Global Customers

100+

Countries Served

145+

Product Lines

5

Vertically Integrated Manufacturing Units

2

Successful Acquisition in Europe and China

99%

In-House Manufacturing

2

Modification Centres in the US and UK

56%

Capacity Utilisation

**As of March 31, 2024*

BUSINESS SEGMENTS

Rishabh Instruments has developed a comprehensive range of products to cater to the evolving needs of its customers. The Company's offerings are categorised into five key segments: electrical automation, metering, control and protection devices, portable test and measuring instruments, solar string inverters, and aluminium HPDC products.

Electrical Automation

Electrical automation involves integrating and automating complex networks by collecting signals from various devices such as transmitters and temperature controllers. This process is managed by system integrators who build 'automation panels' using specialised products, catering to industries such as cement, chemicals, FMCG, and power utilities.

1st

Player in Electrical Transducers in India

The most popular brand in Poland for meters, controllers, and recorders (Lumel)

Products



Energy Management Software



Transducers and Isolators



Paperless Recorders (Chartless) and Data Loggers



Temperature and Humidity Recorders



I/O Converters



Temperature Controllers

Application and End-User Industry

- Power generation, transmission, distribution, and renewable energy
- Industrial (FMCG, pharmaceutical, cement, and steel)
- Railways, oil and gas
- Pharmaceuticals and petrochemicals
- Consumer electronics and semiconductors
- Data centres and system integrators



Case Study: Poultry Farms - Climate Control

Problem Statement

Controlling temperature and humidity in poultry farms is crucial for chick health. Even a 1°C change can cause breathing problems and potentially suffocate the birds.

Solution Offered

This solution comprises multiple products assembled into one package and deployed on the farm. For a closed-loop control system to work effectively, all elements must operate in synchronisation. In this topology, devices are programmed to maintain optimal conditions for temperature, airflow, humidity, cooling, and ventilation. Using defined logic, fans, heaters, and cooling pads are automatically switched on and off as needed.

Benefits

Precise climate control

Enhanced efficiency with energy and cost saving

Scope of future expansion

Remote monitoring

Case Study: Labs - Temperature or Humidity Monitoring

Problem Statement

Pharmaceutical labs, control rooms, and backup system rooms need constant temperature and humidity monitoring. Any variations in these values could potentially damage processes or cause device malfunctions.

Solution Offered

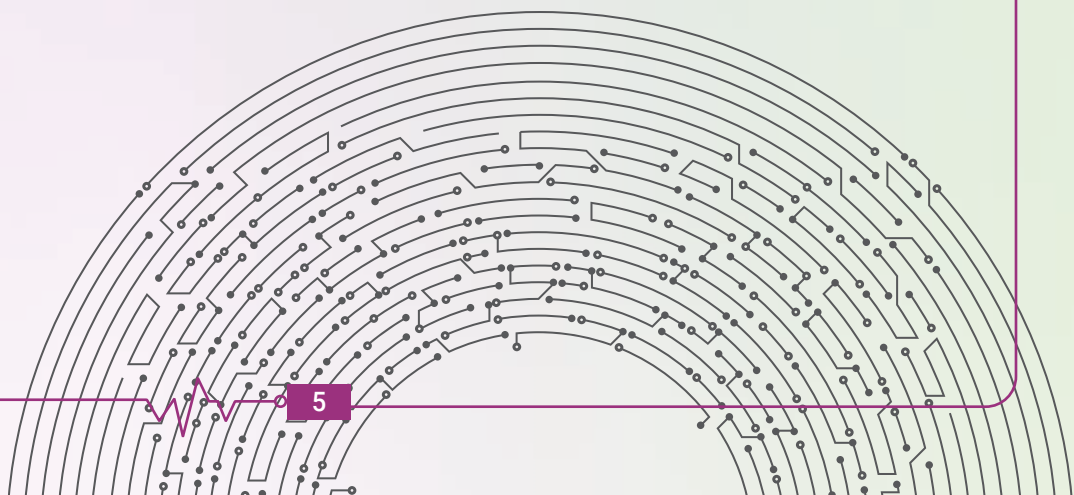
A transducer (P18) was provided to monitor temperature or humidity based on user needs. This device measures both temperature and humidity and shows absolute humidity and dew point, which are key for monitoring. The results are connected to the Supervisory Control And Data Acquisition (SCADA) system for regular monitoring, and these values are also stored in the system.

Benefits

Single device for temperature or humidity

Standalone solution

Serves in a control mechanism (if used)



Metering, Control and Protection Devices

Metering, control, and protection devices are used to measure, control, record, analyse, optimise and safeguard electrical systems, used in centralised setups like power control centres (PCC), motor control centres (MCC), and automatic power factor control (APFC) centres across various industries, including power utilities, railways, and manufacturing.

3rd

Player in the Digital Panel Meters in India

Global leader in Analog Panel Meters and manufacturing and supply of Low-Voltage Current Transformers

Top player in Split Core Current Transformers in India

Products



Analog Panel Meters



Rotary CAM Switches



Current Transformers



Shunts



Digital Panel Meters



Multifunction Meters



Multi-Load Monitoring Meters



Power Quality Meters



Power Quality Analysers



Power Factor Controllers



LV Protection Relays



Medium Voltage Protection Relays



Battery Chargers



Synchronising Units



Power Supply



Application and End-User Industry

- Energy (generation, transmission, distribution, renewable energy)
- Industrial (FMCG, pharmaceutical, cement, steel)
- Railways
- Medium-voltage installations
- BMS
- Oil and gas
- Petrochemicals
- Laboratories
- Defence
- Consumer electronics and semi-conductors
- Data centres
- Controlling the power factor of installations
- Residential and commercial complexes
- DG set and Energy Management Services

Case Study: Cold Storage - Temperature Monitoring and Recording

Problem Statement

Food wastage during transportation is a major concern for farmers and retailers. To prevent this, food storage hubs are set up along transportation routes to keep food at specific temperatures and avoid spoilage.

Solution Offered

The Power Network Meter ND30, equipped with a PT100 input, was installed to actively monitor and regulate temperature within the storage chamber. It effectively captures and logs critical electrical parameters according to user specifications. This data can be conveniently accessed via its integrated web server and FTP capabilities for comprehensive monitoring and analysis.

Benefits

- Single device for physical and electrical parameters
- Efficient energy saving
- Avoid human supervision
- Remote data access
- Easy to handle
- Automatic report generation



Case Study: Gensets - Remote Monitoring

Problem Statement

DG Users and Rental companies are expanding into remote areas like telecom towers, construction sites, oil wells, mining, and infrastructure. They face challenges with operational losses, tracking equipment conditions in real-time, inaccurate downtime information affecting billing, and concerns about fuel economy and theft.

Solution Offered

SM61 was provided as a standalone solution that integrates with an energy monitoring device, genset controller, and GSM modem. It receives data from the energy meter and genset controller, allowing remote control of the genset. Key monitored parameters include energy usage, fuel level, and oil temperature.

Benefits

Identify underutilised or no-demand equipment

Periodic productivity reports

Fuel consumption and theft monitoring

Email notifications on equipment breakdown

Redundant data storage in internal memory

Portable Test and Measuring Instruments

Portable test and measurement instruments (TMI) are handheld devices used to measure electrical parameters onsite for industrial, utility, and consumer applications. They are primarily used for maintenance and repairs across power utilities, railways, OEMs, defence, and construction sectors.

2nd

Player in the Portable Test and Measuring Instruments (Multi-meter and Clamp Meter)

Products



Digital Multi-Meter



Digital Clamp Meters



Digital Insulation Testers



Environmental Instruments Products

(Such as Ultrasonic Level/Thickness Meter, Digital Lux Meter, Non-Contact Tachometer, DB Meters, and Phase Detectors)



Digital Earth Testers



Submarine Cable Fault Locator



Application and End-User Industry

- Energy (generation, transmission, distribution, renewable energy)
- Industrial (FMCG, pharmaceutical, cement, steel)
- Railways
- Defence
- Laboratories
- Building automation and communication
- Consumer electronics, data centres and semiconductors
- OEM manufacturers (motors, cables, and transformers)
- Service industries
- Oil and gas industries

Aluminium High-Pressure Die-Casting (HPDC)

Aluminium HPDC is a manufacturing process that creates aluminium alloy products by injecting molten metal into a hardened steel mould cavity at high pressure. It is used extensively in automotive and other industries requiring high-volume production of precise parts.

3 Million

Aluminium cast housings produced for car compressors

Leading Player in Non-Ferrous Pressure Castings in Europe. Melts 20 Tonnes of Aluminium and Produces 35,000 Castings Per Day (Lumel*)

Products



Precision HPDC

Application and End-User Industry

- Automotive
- Industrial automation
- Telecommunication
- Consumer durables
- EV industry
- Street light industry

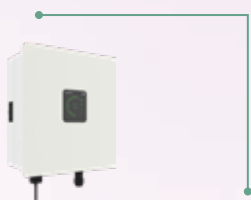
Solar String Inverters

Solar string inverters are devices used in solar panel installations where each row of panels is connected to an inverter box that converts DC electricity to AC electricity for grid connection. They are favoured for their ease of installation, serviceability, and flexibility, suitable for residential and medium-sized commercial solar projects.

#1

First Company in India to Design, Develop, and Manufacture Solar String Inverters End-to-End

Products



Solar String Inverters (3 kW to 50 kW)

Application and End-User Industry

- Renewable energy (including microgrid applications)

KEY HIGHLIGHTS OF 2023-24

A Glorious Year of Empowering with Smart Solutions

Listed on BSE and NSE on September 11, 2023

Developed around 17 new products, with 20 more in the pipeline for 2024-25

Approval from the Maharashtra Industrial Development Corporation (MIDC) for Nashik Manufacturing Facility to set up a 6-storied building to double some of the existing capacities in core business segments

Collaborated with IIT Jodhpur focussing on green energy research

Transformed into a professionally managed Company

Focussed on reducing manufacturing costs and product redesign for improved profitability

Planned Capital Expenditure for the next 2 years, including a new building at Nashik and SMT lines in Poland and India

Completed due diligence process for potential acquisition of aluminium die-cast segment

Lumel S.A., a material subsidiary of Rishabh Instruments Limited, received a subsidy of INR 128.21 Million under the European Funds for a Modern Economy Programme for a project on developing innovative control and protection devices for the energy industry





New Product Developments

Pioneering Solar Technology

- Among the first Indian companies to design, develop, and manufacture solar string inverters end-to-end
- Introduced the next-generation 'NEO RADIUS' inverters in 3 phases ranging from 3 KW to 20 KW, with ongoing R&D for capacities up to 120 KW

Innovations by R&D Team

- Developed and introduced KD6 and KD10 Paperless Recorders
- Launched N31U Universal Programmable Digital Meters
- Released ND31 IIoT Enhanced Power Quality Monitor
- Introduction of DIN mounted Multifunction Meters series (1U, 2U & 4U)
- Launched Rish Con M+ - A multifunction transducers
- Launched High Voltage Tester HVT 5KV AC
- Introduction of V&A range of Products in India & Poland

Overseas Business Expansion

Lumel SA's European Success

Achieved significant penetration in medium voltage, industrial automation, and green energy sectors

Infrastructure Enhancement

Installed a third SMT line dedicated to EMS business, boosting production at Lumel SA

Lumel Alucast Expansion

Strategic ventures include new projects in aluminium die-casting

Recovery and Strategic Initiatives in China

- China Operations: Recovered post-COVID shutdown, with strategic acquisitions to lower raw material costs
- V&A's R&D Expansion: Scaling up efforts for new product development and improving existing product offerings

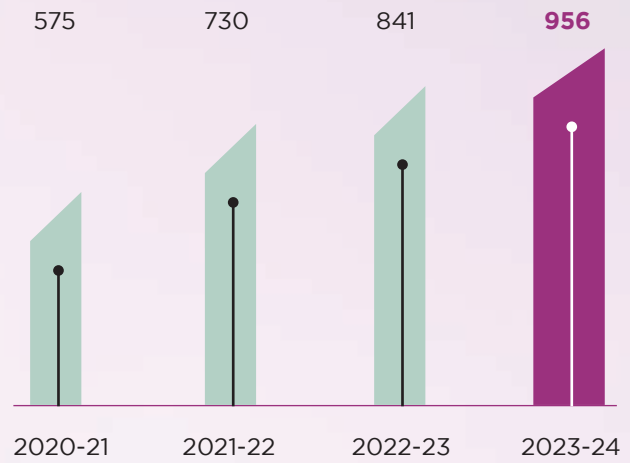


ACHIEVING FINANCIAL GROWTH THROUGH SMART SOLUTIONS

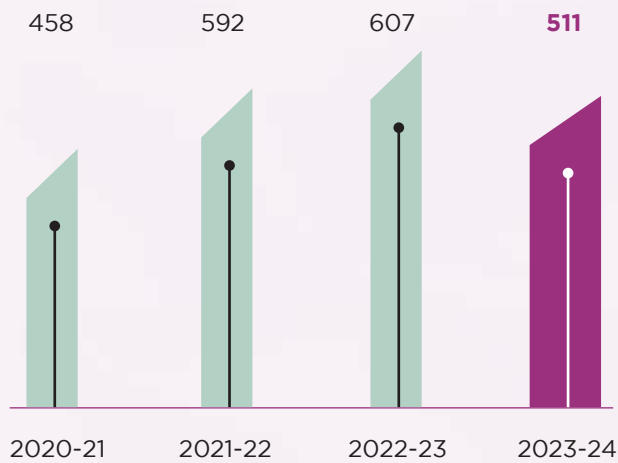
Revenue (INR in Million)



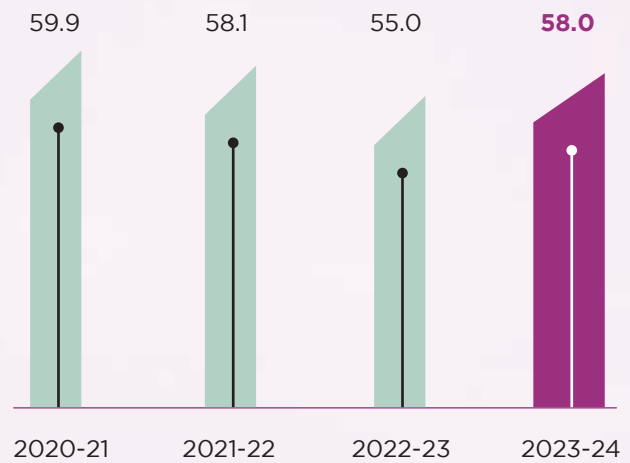
EBITDA (INR in Million)



PBT (INR in Million)



Gross Margin (%)



Annual Report 2023-24



EBITDA Margins

(%)



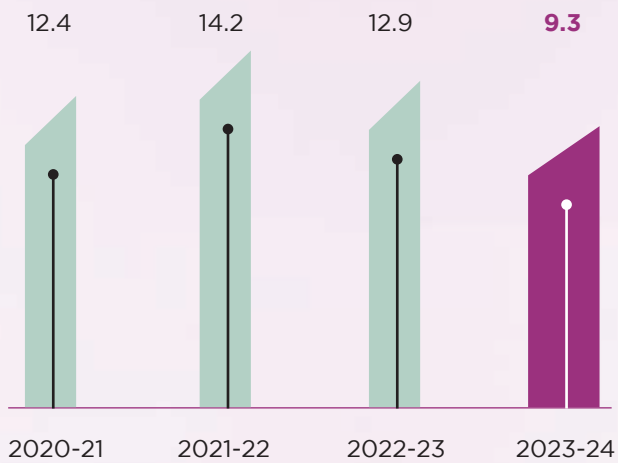
PBT Margins

(%)



ROCE

(%)



Return On Equity

(%)



Annual Report 2023-24

MESSAGE FROM THE CHAIRMAN, PROMOTER, AND MD



This success is a testament to the relentless efforts and dedication of our entire team at Rishabh Instruments, LUMEL, both LUMEL SA and LUMEL ALUCAST, V&A, and Sifam Tinsley, spread across the globe. I extend my heartfelt gratitude to all our stakeholders, including our investors, who have shown unwavering faith in our vision and business model.

Dear Stakeholders,

I am delighted to share the exceptional achievements and advancements at Rishabh Instruments throughout 2023-24. As we conclude another remarkable year for the Company, I am filled with pride and optimism. The year 2023-24 has been a milestone year for us. Our successful listing on the National Stock Exchange and the Bombay Stock Exchange in September 2023 was a significant milestone, highlighting our commitment to growth and excellence. We are delighted to report a robust growth of 21% in our top line compared to the previous financial year, showcasing the strength of our strategic initiatives and operational execution.

This success is a testament to the relentless efforts and dedication of our entire team at Rishabh Instruments, LUMEL, both LUMEL SA and LUMEL ALUCAST, V&A, and Sifam Tinsley, spread across the globe. I extend my heartfelt gratitude to all our stakeholders, including our investors, who have shown continuous faith in our vision and business model.

We are dedicated to providing world-class energy efficiency solutions. With a diverse product portfolio catering to global energy demands, we are well-positioned to capitalise on the growing trends towards clean energy, industrial automation, and infrastructure development. The global push towards net-zero transitions, EV charging infrastructure, and reduction of carbon footprints presents significant opportunities for our products. This further enables us to contribute meaningfully to a sustainable future. India's electrical automation industry has flourished amidst the Industry 4.0 revolution and the Industrial Internet of Things (IIoT), particularly in critical sectors like automotive, FMCG, and chemicals. This growth is propelled by escalating demands for automation, stringent quality standards, and heightened productivity.

We have significantly expanded our metering, control, and protection devices, driven by infrastructure developments and a pronounced



focus on energy efficiency. Similarly, advancements in EV manufacturing, defence testing, and solar PV installations, spurred by supportive governmental initiatives have given a thrust to our business. Notably, India's emphasis on renewable energy has significantly expanded the solar PV market, creating opportunities for us to capitalise on. Concurrently, the HPDC sector has experienced robust expansion, fuelled by automotive industry demands for lightweight components, particularly for electric vehicles (EVs). These trends underscore our industry's immense growth potential and expansive market opportunities.

We are committed to driving innovation and excellence across all our operations. Our continuous investments in R&D, coupled with our strategic expansion plans, ensure that we stay ahead of industry trends and deliver unparalleled value to our customers and shareholders. Financially, we achieved a remarkable 21% year-on-year (y-o-y) revenue growth, reaching INR 6,897 Million for 2023-24, driven by robust global demand across all product categories. Our commitment to innovation has been fantastic, with the introduction of approximately 17 new products over the past two years. This has contributed to a 10% incremental revenue growth. Looking ahead, we have an exciting pipeline of around 20 new products slated for introduction by 2024-25.

As we expand our market footprint, we are optimistic about exploring untapped opportunities in India, the US, and China, building upon our existing market share and venturing into new territories. The positive feedback from our valued customers further validates our confidence in extending our global presence.

At Rishabh Instruments, we are dedicated to sustainability and social empowerment. We lead with initiatives in solar and green energy solutions, support education through scholarships, empower underprivileged women with training and accommodation, and collaborate with institutions like IITs for innovative research. Our commitment to CSR and ESG is evident in our strong policies against child labour and discrimination. Additionally, we engage in proactive environmental efforts aimed at sustainable growth and societal benefit.

We are committed to driving innovation and excellence across all our operations. Our continuous investments in R&D, coupled with our strategic expansion plans, ensure that we stay ahead of industry trends and deliver unparalleled value to our customers and shareholders.

What can be measured, can be improved

This guiding principle strongly resonates with our ethos at Rishabh Instruments. It emphasises our dedication to continuously measuring our impact, refining our strategies, and driving meaningful progress across our operations. As we navigate the intricacies of our dynamic industry, we are resolute in our pursuit of excellence, innovation, and sustainable growth. Together with our stakeholders, we are poised to create enduring value, foster sustainable development, and lead the transformation of the energy and industrial automation landscape.

We are excited about the future and the opportunities it holds. With immense gratitude for your support, we look forward to achieving continued success and delivering value to all our stakeholders.

Warm regards,

Narendra Joharimal Goliya

Promoter, Chairman and MD

MESSAGE FROM THE CEO



We have strengthened our market position by expanding our product portfolio and enhancing our global footprint. Some of the key highlights include the introduction of several new products in the areas of energy efficiency and industrial automation. This has enabled us to meet the evolving needs of our customers and maintaining our competitive edge.

Dear Stakeholders,

I want to express my gratitude for your trust, faith, and contributions in aligning our strategies with our ambitious goals as we navigate through this new chapter in our journey. It gives me great pleasure to connect with you as we reflect on a year of exceptional growth and strategic milestones for Rishabh Instruments. 2023-24 has indeed been transformative, marked by our listing on the Indian Stock Exchange and significant advancements in our operational and financial performance despite few challenges in some parts of our global business. Our focus remains on enhancing operational efficiency, implementing actionable steps, and achieving the key performance indicators (KPIs) critical to our success.

At the core of our approach lies a commitment to **'Measure, Control, Record, Analyse & Optimise.'** This mantra guides all our decisions and reflects what our products do to help our customers.

Our commitment to innovation and excellence has propelled us to achieve a remarkable growth rate of 21% in our top line. This is also a testament to the efficacy of our strategies and the dedication of our team. Financially, 2023-24 was marked by significant achievements, including a robust 21% revenue growth to INR 6,897 Million. This growth, driven by diverse product lines and expanded geographic reach, was complemented by a 300 bps increase in gross margins to 58%, highlighting our commitment to operational efficiency. Despite challenges such as rising employee costs and increased expenses in Poland impacting profitability, our adjusted EBITDA of INR 955 Million highlights our resilience and strategic focus.

We have strengthened our market position by expanding our product portfolio and enhancing our global footprint. Some of the key highlights include the introduction of several new products in the areas of energy efficiency and industrial automation. This has enabled us to meet the evolving needs of our customers and maintain our competitive edge. Our presence in international markets has grown significantly, with increased sales in key regions such as Europe, North America, and Asia-Pacific. This expansion is driven by our group companies, Mod centres, resident area sales managers, strong distribution network and strategic partnerships. Additionally, we have invested in state-of-the-art manufacturing facilities and adopted advanced technologies to optimise our production processes, resulting in improved efficiency and cost-effectiveness.

As we look to 2024-25, our strategic plans aim to foster



growth and operational excellence across key divisions. In our Solar Energy Division, our primary focus is on strengthening our market position and improving production efficiency. By implementing a new assembly line for solar inverters, we aim to boost production by 100%. At the same time, initiatives are underway to reduce material costs by 15% and achieve an overall 10% cost saving per unit through alternative sourcing and bulk purchase agreements. Our KPIs include achieving 90% production capacity utilisation and meeting targeted cost reductions by year-end.

In the Industrial Automation (IIoT) sector, our strategy revolves around expanding market penetration by helping our customers automate their manufacturing processes, optimise their production efficiencies, thus reducing energy consumption. With the cost of energy and human resource going up rapidly, we recognise this as a long-term growth driver for our business and we will continue to enhance our product offerings in this segment. We plan to introduce more tailored automation solutions for different manufacturing sectors.

The electronic manufacturing services (EMS) sector will be another focus area for us to double our sales in this business vertical with our plans to add two more state-of-the-art fully automated SMT (Surface Mount Technology) lines (one in Rishabh India and one in Lumel Poland), on top of the five lines we already have. Our goal is to double our capacity for EMS and introduce new projects by leveraging our facility expansion. The special emphasis of the Government of India on electronics manufacturing will be the growth driver to boost the business in this vertical.

Global market expansion remains a priority, particularly in China and the US. We are actively pursuing certifications for our products and strategic partnerships to streamline market access and distribution channels. We are looking for joint ventures or acquisitions in these markets to support us on the inorganic growth.

In the aluminium die casting division, our focus is on optimising cost structures, implementing lean manufacturing practices, and increasing automation to drive down labour costs and enhance profitability. Currently we have a major challenge to protect our margins, due to very high inflations, labour cost and energy costs. One of our cost optimisation strategies includes relocating our Indian workforce to Poland to improve efficiency and reduce costs.

We have been re-negotiating our contracts with our customers and more than half of them have been concluded positively while the remaining (automotive projects) are still being re-negotiated and we are hopeful of reaching an agreement in the coming months.

Looking ahead, we have outlined a clear strategic roadmap to sustain our growth momentum and achieve our long-term objectives. We aim to deepen our penetration in existing markets while exploring new geographies with

high growth potential. This will involve enhancing our distribution network and forming strategic alliances. We will continue to innovate and diversify our product offerings to cater to emerging trends in the energy and automation sectors, focussing on developing solutions that align with the global shift towards sustainability and energy efficiency. Embracing digital technologies is at the core of our strategy. We plan to leverage data analytics, IIoT, and AI to drive operational excellence, improve customer experience, and create new business models. Furthermore, we are committed to contributing to a sustainable future by reducing carbon footprint, enhancing the energy efficiency of our operations, and promoting eco-friendly products.

Our key priorities for the future include: maintaining a customer-centric approach by understanding their needs, delivering exceptional service, and building long-term relationships; investing in training and development programmes to nurture talent, foster innovation, and maintain a high-performance culture, recognising our people as our greatest asset; focussing on continuous improvement in our operations to achieve greater efficiency, quality, and reliability across our value chain; ensuring a strong financial position through prudent financial management, optimising our capital structure, and ensuring sustainable profitability. Our commitment to comprehensive CSR and ESG initiatives highlights our economic responsibility through robust risk management and emergency protocols. Ethical business practices, including anti-corruption measures and financial integrity audits, complement our environmental efforts towards sustainable energy and reducing our carbon footprint. Socially, we champion labour rights, employee well-being, and support for local communities through sports, culture, and charitable causes.

Looking forward, we are geared towards achieving greater efficiencies and sustainable growth. We are also focussed on implementing cost optimisation initiatives across our solar inverters and aluminium die-casting units, expanding our IIoT product portfolio, launching high-capacity solar inverters, and strengthening our market presence through strategic acquisitions and vertical integration in PCB manufacturing and software development for comprehensive IIoT solutions.

As we progress in our journey, innovation remains central to our strategy, ensuring that we utilise our strengths to deliver sustained value for our dear stakeholders.

Yours sincerely,

Dineshkumar Musalekar

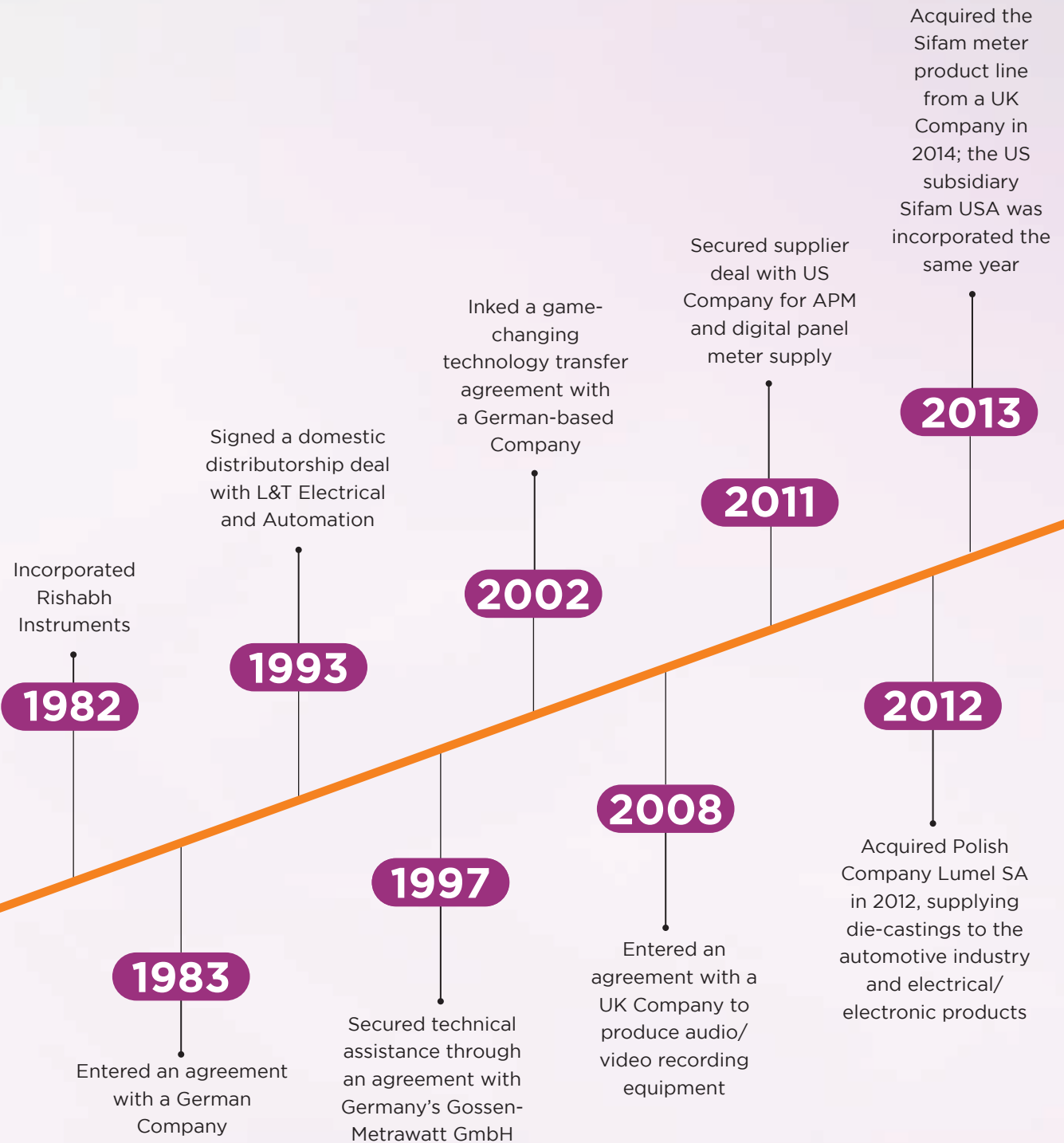
Group CEO

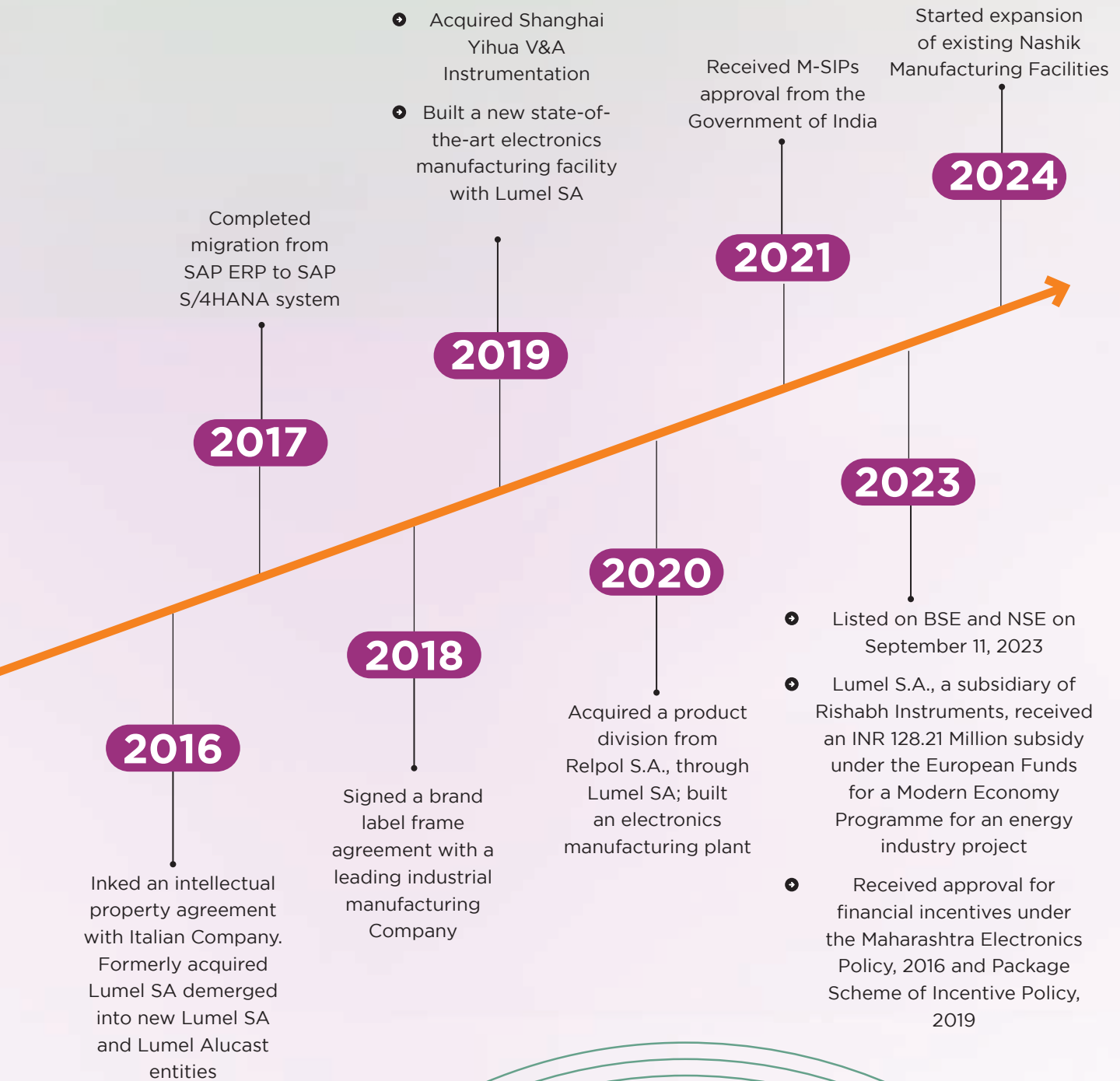


MILESTONES

Empowering Sustainability with Smart Solutions for 40 Years

Annual Report 2023-24





OFFERING SMART SOLUTIONS TO GLOBAL CUSTOMERS

Through acquisitions, technology agreements, and setting up state-of-the-art manufacturing and distribution facilities worldwide, Rishabh Instruments is positioning itself as a formidable international player in electrical measurement and automation solutions. This global expansion drive allows the Company to tap into new markets, access global talent and expertise, and capitalise on emerging opportunities in an increasingly interconnected business landscape.

Manufacturing Facilities in India

India Manufacturing Facility I has a fully vertically integrated site with comprehensive product development capabilities. This includes an R&D unit recognised by the Department of Scientific and Industrial Research, Gol.

10,240 sq. mt.

in Nashik, Maharashtra

India Manufacturing Facility II, equipped with a tool room and a NABL-accredited testing facility, is capable of EMI-EMC testing. This facility focusses on manufacturing tools and moulds for other sites.

9,195 sq. mt.

in Nashik, Maharashtra

Manufacturing Facilities in Poland

Poland Manufacturing Facility I, operated by Lumel SA, focusses on producing electrical and electronics products with comprehensive R&D, laboratory, and warehouse facilities.

12,000 sq. mt.

in Zielona Góra

Poland Manufacturing Facility II, managed by Lumel Alucast, specialises in aluminium die casting with an advanced foundry, CNC machining, tool shop, and laboratory.

17,000 sq. mt.

in Zielona Góra

Manufacturing Facility in China

Manufacturing Facility in Sanghai, China is operated by Shanghai VA and features a production site and an R&D unit, boasting ISO 9001:2015 certification. This facility ensures products meet CE, ROHS, and UKCA standards.

1,755 sq. mt.

in Shanghai, China



Other Facilities

The Company operates modification centres in Essex, UK, through its subsidiary Sifam UK, and in Kennesaw, Georgia, US, through its subsidiary Sifam US. These centres receive 'virtually finished goods' from manufacturing facilities and complete the final products or reprogramme them to meet customer requirements for onward sale.



Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers, or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

339

Total Authorised Distributors/Stockists Globally

13

Total Sales and Marketing Offices Globally

10,000+ sq. mt.

Average Spread Area of Large Facilities

32.2 Million

Installed Capacity of Products Per Annum

56% p.a.

Current Capacity Utilisation

740

No. of Skilled Workforce

160

No. of In-house R&D Team Members

DEVELOPING SUSTAINABLE SOLUTIONS THROUGH R&D

Rishabh Instruments has positioned itself as a leader in the precision measurement and automation sectors, with a strong emphasis on R&D to drive innovation and maintain its competitive edge. The Company's R&D focus is multifaceted, addressing emerging technological trends and market needs in various industries. Rishabh Instruments is dedicated to advancing its capabilities in developing state-of-the-art instruments and solutions that enhance efficiency and accuracy in measurement and automation processes.



3

Design Registrations



2

Global Patents



5

R&D Centres

The R&D team focusses on 3 core functions:

Electronic design and development for smart products

Mechanical design for plastic components

Tool R&D for manufacturing of moulds for plastic components



Launched and developed technology through continuous R&D

- First player to introduce a panel-mounted multichannel/multi-Load monitor meter with display in the Indian market
- Introduced touch screen meters and meters with RJ12 CT's for plug-and-play ease
- First player to introduce a Transducer with display
- Introduced compact panel meters with on-site programmability, easy click-fit mounting, and safety ingress protection from IP20 to IP67
- Innovated automatic blocking system for digital multi-meter
- Developed the world's first touch screen operated insulation tester with audio readout and Bluetooth technology capable to work at 765kV substations



GROWING THROUGH THE DEVELOPMENT OF SMART SOLUTIONS

Rishabh Instruments is a global leader in precision measurement and automation solutions. The Company closely monitors economic, environmental, political, and social changes to identify risks and opportunities that shape its strategic direction. Continuous dialogue with stakeholders ensures alignment with their needs and expectations. The Company is dedicated to innovation and consistently refines its product offerings to maintain leadership in the electrical automation sector and capitalise on emerging global trends.

Key Megatrends Driving Growth at Rishabh Instruments



Technological Advancements in Automation and IIoT

The integration of IIoT and automation tech is revolutionising electrical measurement and control. Rishabh Instruments offers IIoT-based solutions to enhance efficiency and data accuracy in industrial processes. The Company focusses on staying updated with technology to remain competitive.



Growing Emphasis on Energy Efficiency and Sustainability

Global efforts to reduce carbon footprints are driving industries to focus on energy efficiency and sustainability. Rishabh Instruments offers energy meters and monitoring systems to meet the demand for sustainable energy solutions, helping organisations optimise energy usage and minimise waste.



Infrastructure Development and Modernisation

The development of infrastructure, particularly in emerging economies, offers opportunities for the electrical measurement and automation industry. Rishabh Instruments provides high-quality measurement tools critical for supporting infrastructure initiatives, ensuring efficient operation and compliance with standards.



Rising Demand for Industrial Automation

The industrial sector is shifting towards automation to improve productivity, reduce errors, and lower costs. This increases the demand for precise instruments to monitor and control automated processes. The increasing reliance on automation highlights the critical role of precise measurement tools in optimising industrial operations.



Increasing Investments in Renewable Energy

Rishabh Instruments offers innovative solutions for the renewable energy sector. This includes specialised instruments such as solar inverters, crucial for efficient clean energy generation and distribution.



Market Expansion and Globalisation

Rishabh Instruments is actively expanding into new markets to meet the increasing demand for high-quality measurement solutions worldwide and strengthen its position in the global marketplace.

CAPITALISING ON STRENGTHS AND SUSTAINABLE SOLUTIONS

Rishabh Instruments distinguishes itself through a robust blend of technological innovation, global market leadership, and strategic operational capabilities. With a commitment to R&D, the Company drives innovation across its extensive product portfolio, tailored to meet diverse industry needs worldwide. Its expansive global presence and vertical integration enhance product development and customisation and ensure efficient supply chain management and superior customer satisfaction.



Advanced R&D

Significant investment in R&D to pioneer new technologies and improve product offerings continuously



Global Market Leadership

Presence in over 100 countries, providing exposure to diverse technological advancements and market opportunities



Innovative Product Portfolio

Multiple patents and design registrations, demonstrating a commitment to technological advancement and product differentiation



Strategic Collaborations

International technical collaborations to enhance technological capabilities and integrate global best practices



Vertical Integration

Fully integrated operations across multiple manufacturing facilities, ensuring cost-effective production, flexible supply chain management, and high-quality standards

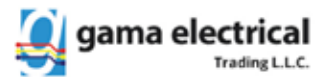


Customer-Centric Approach

Tailored solutions to meet specific customer needs, enhancing overall satisfaction and retention



Marquee Customers



ENABLING GROWTH THROUGH SUSTAINABLE STRATEGIES

Rishabh Instruments is committed to growth through strategic acquisitions and fostering synergies with acquired businesses. As a technology and R&D leader, the Company applies its expertise to drive innovation, expand globally, and optimise processes. By developing advanced products and exploring new markets, Rishabh Instruments ensures sustained competitive advantage and growth.



Enhancing Product Innovation and Engineering Competence

Focus on Advanced Technologies:

Rishabh Instruments plans to enhance product innovation by focussing on IIoT, Bluetooth capabilities, and miniaturisation.

Product Diversification:

The Company aims to introduce solar string inverters and high end multifunction meters (with MID, ANSI standards) to diversify its product offerings and also plan to expand its electronic manufacturing services (EMS) business to ensure the services' diversification.

R&D and Technical Know-How:

Continuous improvement in R&D capabilities, design processes, and testing facilities is a priority for the Company.



Pursuing Strategic Inorganic Growth

Acquisitions and Market Penetration:

With strategic acquisitions in Poland and China, Rishabh Instruments seeks growth opportunities in larger, developed markets like the United States, Brazil, and Turkey.

Synergy and Integration:

Rishabh Instruments focusses on integrating its acquired businesses to create synergies, improve operational efficiencies, and expand its portfolio with high-margin products.



Expanding Geographical Footprint

Domestic Expansion:

Rishabh Instruments intends to expand its presence in India by opening branch offices in Tier II cities and upgrading existing branches with technical training and service centres.

International Growth:

The Company plans to extend its sales office and distribution network to new geographies like Brazil, South Africa, and Europe to enhance product customisation and local customer engagement.



Targeting New Customers and Expanding Existing Accounts

Cross-Selling and Localisation:

Rishabh Instruments aims to localise products, fill gaps in their offerings, and increase wallet share with existing customers through cross-selling.

Brand and Market Flexibility:

The Company utilises white-labelling and brand-labelling strategies to expand its product offerings in domestic and international markets.



Promoting Product Localisation

Localised Manufacturing:

Through a bilateral license agreement with Lumel SA, Rishabh Instruments aims to localise Lumel products in India, boosting brand presence and effectively meeting regional market demands.

Regional Focus:

They maintain production of products in their Poland facilities for European markets, leveraging localised manufacturing to streamline logistics, enhance market responsiveness, and improve operational efficiency.



Exploring Emerging Product and Service Segments

Exploring Emerging Areas:

The Company aims to explore new opportunities in dynamic engineering sectors like active harmonic filtering, STATCOM, and EV charging stations.

Technology Acquisition and Adaptation:

Rishabh Instruments embraces technology purchases to acquire necessary expertise for new products, ensuring competitiveness and relevance in dynamic markets.



BOARD OF DIRECTORS



Narendra Joharimal Goliya
Promoter, Chairman and MD

- B. Tech from IIT-Bombay and M.Sc from the Leland Stanford Junior University
- 40+ years in the manufacturing and electrical industry



Ramakrishnan Kottekode Parappath
Non-Executive Director

- Holds bachelor's degree in science from the University of Kerala
- Was previously associated with VIP Industries and Madras Rubber Factory Limited



Rathin Kumar Banerjee
Independent Director

- Holds bachelor's degree in technology from IIT-Bombay, and postgraduate diploma in business management from XLRI
- Was previously associated with Asian Paints, BlowPlast and others



Siddharth Nandkishore Bafna
Independent Director

- Holds bachelor's degree in commerce from the University of Bombay and a master's degree in BA from Fuqua School of Business, Duke University
- An associate member of the ICAI and associated with Lodha & Company



Astha Kataria
Independent Director

- Holds bachelor's degree in engineering from Pt. Ravishankar Shukla University, Raipur and a diploma in BF from The ICFAI University
- Previously associated with Ashoka Buildcon Limited



Lukasz Jan Meissner
Independent Director

- Holds master of economics diploma from the School of Economics, Poznan
- He is a member of the Association of CCA and was previously associated with PWC N.V. and Raben Group



KEY MANAGEMENT PERSONNEL



Dineshkumar Musalekar

Group CEO

- Holds BE degree from Karnataka University & a master's degree from Somaiya Institute
- 30+ years in the manufacturing and electrical industry; previously associated with Avire India Pte and Otis Elevators India Limited



Vishal Kulkarni

Chief Financial Officer

- Holds M. Com degree (Pune University) and is an associate member of ICSI
- Associated with the Company since July 2014 and previously with Techno Force (I), ThyssenKrupp India



Nitinkumar Deshpande

Head of Marketing and Business Development

- BE (Elect) from Mumbai University, & MBA from, Tilak Vidyapeeth, Pune
- Associated with the Company since July 2018 and previously with ABB Limited, Siemens, and Schneider Electric



Anand Laddha

Director of Finance

- Holds B. Com degree from Amravati University and is an associate member of the ICAI
- Associated with the Company since September 2014



Ajinkya Joglekar

Company Secretary

- Holds B. Com degree from Nagpur University and is a member of the ICSI
- Associated with the Company since August, 2022 and previously with Galactico Corporate Services

AWARDS AND CERTIFICATIONS



2005

- Recognised as a star performer (large enterprises) by Engineering Export Promotion Council, India, Western Region for 2004-05
- Received a second runner-up trophy at the NIMA (Nashik Industries Manufacturing Association) Excellence Awards 2004-05



2006

Recognised as a star performer as a medium enterprise in the product group of miscellaneous instruments and appliances by Engineering Export Promotion Council, India, Western Region for 2005-06



2007-09

Recognised as a star performer (miscellaneous instruments and appliances, large enterprise) by the Engineering Export Promotion Council, India for two consecutive years



2010-12

Recognised as a star performer (miscellaneous instruments and appliances, large enterprise) by the Engineering Export Promotion Council, India for two consecutive years



2014

- Innovation award for N43 power network meter received by Lumel SA
- Best Company in Lubuskie Region (Poland) under 25-year-old companies received by Lumel SA
- BLASER Productivity Trophy 2014 awarded to Lumel SA
- Most popular brand in the group of indicators and temperature controllers received by Lumel SA
- Most popular brand in the group of recorders received by Lumel SA



2015

Business Leaders Award received by Lumel SA



2019

Rishabh Instruments Good Lubuskie Award for HT22 Data Logger received by Lumel SA

Buildings of the Month



December 2020
LUMEL SA: New Industrial Plant
 The Most Modern Facilities of this Type in Europe
[Read more](#)

2020

Best Building Award in December in Europe received by Lumel SA



2022

Received recognition for 'digitisation and innovation' at the ABB Supplier Meet 2022



2016

- Most popular brand in the group of indicators and temperature controllers received by Lumel SA
- Most popular brand in the group of recorders received by Lumel SA



2018

- Most popular brand in the group of indicators and temperature controllers received by Lumel SA
- Most popular brand in the group of recorders received by Lumel SA



2021

Lubuski Mister Budowy Award (building master) received by Lumel SA

ENVIRONMENT, SOCIAL, AND GOVERNANCE (ESG)

Rishabh Instruments is dedicated to driving sustainable development through robust ESG initiatives. The Company believes that sustainable and ethical practices are essential for long-term success and value creation. Its ESG efforts encompass a comprehensive set of objectives to address stakeholder needs and expectations. The Company aims to enhance its resilience, competitiveness, and positive impact on society through transparency, accountability, and continuous improvement.

Rishabh Instruments strives to create a positive impact on society and the environment, reinforcing its role as a responsible and forward-thinking Company.

Rishabh Instruments Key Objectives under ESG:

Economic Responsibility and Risk Management

- Ensure business sustainability and continuity through comprehensive risk management across supply chains, production, IT, and other critical areas
- Develop emergency plans to maintain operational resilience and customer satisfaction

Ethical Business Practices and Governance

- Uphold ethical standards by preventing corruption, harassment, and forced labour
- Ensure financial transparency and integrity through compliance with national and international regulations, and implement robust whistle-blower protections

Environmental Responsibility

- Promote sustainability by generating renewable energy, optimising energy efficiency, reducing carbon footprints, and conserving natural resources
- Support environmental initiatives such as forest planting and developing energy management systems

Social Responsibility and Community Engagement

- Empower communities by creating employment opportunities, particularly for rural and tribal women, and supporting diverse and inclusive workforce development
- Engage in community support through CSR activities in education, health, and sports, and promote cultural and social welfare

Safety Measures

- Enhance workplace safety through comprehensive safety campaigns, regular audits, and continuous improvement programmes
- Implement proactive measures to ensure a safe and healthy work environment for employees

Talent Management

- Support vocational training, student internships, and educational partnerships to foster skill development and career growth
- Participate in job and education fairs to connect with potential talent and promote lifelong learning



Environment, Health, and Safety Management System

Rishabh Instruments is deeply committed to upholding high standards of EHS across its operations. The Company's EHS initiatives encompass environmental sustainability initiatives, emergency readiness protocols, and health and safety practices.

Rishabh Instruments showcases its dedication to environmental responsibility through several initiatives. By generating electricity through photovoltaic installations, the Company has reduced its reliance on non-renewable energy sources, thereby decreasing its carbon footprint. Through forest planting campaigns, the Company further offsets carbon emissions and supports biodiversity.

To enhance energy efficiency, Rishabh Instruments has invested in advanced machinery and designed devices that optimise energy usage. With a target to reduce its carbon footprint by 25% by 2030, and a commitment to zero carbon emission standards, the Company is developing comprehensive systems for monitoring and managing electricity usage. Rishabh Instruments' RoHS compliance ensures that its products and operations are free from hazardous substances. Additionally, robust programmes are implemented to conserve natural resources like energy and water.

To ensure the health and safety of its employees, the Company has emergency plans in place that are aimed to address potential disruptions such as key equipment failures, supply chain interruptions, utility outages, natural disasters, infrastructure failures, labour shortages, and environmental issues. These plans include three main types of actions: preventive measures to maintain continuous operations, reactive steps to quickly address and mitigate issues, and customer assurance strategies to maintain service continuity and support during disruptions. Each area is assessed based on the likelihood and potential impact of failures to ensure comprehensive preparedness.

Rishabh Instruments also runs 'The Safe in Lumel' campaign, where departments actively engage in safety practices throughout the year, with top performers rewarded at the end. The Company also conducts layered process audits (LPA) at two levels, involving both managers and workshop leaders as auditors. Additionally, there is a continuous improvement programme focussed on enhancing safety measures and fostering a culture of ongoing safety advancement.

Employee Welfare

At Rishabh Instruments, employee welfare is a priority, encompassing health and safety programmes, satisfaction initiatives, and comprehensive healthcare coverage. The Company implements measures to reduce stress and noise in the workplace and provides skills development training to enhance employee capabilities and career growth. It is also committed to promoting equality and addressing discrimination and harassment, actively preventing child labour, forced labour, and human trafficking. Emphasising diversity, Rishabh Instruments employs individuals from varied regions, countries, and dialects, fostering an inclusive work environment.

The Company promotes social dialogue to ensure open communication between employees and management. Whistle-blower protection mechanisms are in place to encourage reporting of unethical practices without fear of retaliation.



Corporate Social Responsibility

The CSR initiatives at Rishabh Instruments follow a holistic commitment to ethical business practices and community engagement. The Company emphasises making a positive societal impact while upholding rigorous standards of corporate governance. Through strategic partnerships and focussed programmes, Rishabh Instruments strives to foster significant contributions to the social and economic well-being of the regions in which it operates.

Green Energy Innovation

- Tied up with IIT Jodhpur to set up the Rishabh Centre for Green Energy to promote innovation in renewable energy technologies

Enabling Education and Career Development

- Sponsor of a master's degree course in production management run by Lumel in association with Zielona Gora University, Poland; sponsored Indian students are supported for tuition fees, accommodation.
- Providing education to children of labourers working on Rishabh Builders' construction sites through the 'RISHABH ARAMBH' programme
- Internships with various educational institutions in Poland
- Vocational training for juvenile employees
- Funding for vocational training programmes for juvenile employees
- Hosting and participation in regional job and education fairs like the University of Zielona Góra career fair, Open Days at the Faculty of Mechanical Engineering
- Participation in job fairs like Social Integration Centre, Voluntary Labour Corps, Provincial and District Education



Women Empowerment

- Creating employment opportunities for local rural and tribal women through Nashik facilities thereby promoting women's empowerment

Sports Sponsorship

- Sponsoring local sports clubs and events in Poland like Lumel Athletic Club, Falubaz Speedway Club, Golf School Academy, Lumel Sailing Club regatta

Cultural Engagement

- Sponsoring of Zielona Góra Museum, Union of Local Writers, 75th anniversary of Republic of India Day celebrations in Poland
- Charity programme 'Noble Package' to support local communities





Strong Governance Practices

At Rishabh Instruments, governance is maintained through rigorous adherence to ethical practices and transparency. The Company has implemented comprehensive procedures to prevent corruption, harassment, mobbing, and the employment of minors, while regularly inspecting to combat forced labour. A robust whistleblower framework ensures prompt resolution of ethical concerns. Rishabh Instruments upholds high standards of accounting integrity and transparency, strictly complying with national and international financial regulations. As a publicly listed entity, the Company undergoes regular external audits and provides detailed reporting, showing its commitment to ethical governance and fostering stakeholder trust.





CORPORATE INFORMATION

Key Directors

Narendra Johrimal Goliya

Chairman And Managing Director

Ramakrishnan Kottekode Parappath

Non-Executive Director

Siddharth Nandkishore Bafna

Independent Director

Astha Ashish Kataria

Independent Director

Rathin Kumar Banerjee

Independent Director

Lukasz Meissner

Independent Director

Bankers

HDFC Bank Limited

Plot No. G 3, MIDC Area Trimbak Road,
Nashik 422 007, Maharashtra, India
Tel: +91 253 662 2897 / 662 2896
Contact person: Sudhir Bochare
Website: www.hdfc.com
Email: sudhir.bochare@hdfcbank.com
CIN: L65920MH1994PLC080618

State Bank of India

Satpur Industrial Area (O3872) P-24, MIDC, Near
Sakal Circle Trimbak Road, Satpur, Nashik 422 007,
Maharashtra, India
Tel: +91 253 236 4564
Contact person: Sangram Sathe
Website: www.bank.sbi
Email: sangram.sathe@sbi.co.in

DBS Bank India Limited

41/A, Jolly Plaza, Howson Road Deolali Camp,
Nashik 422 401, Maharashtra, India
Tel: +91 253 663 2101 / 663 2100
Contact person: Mahesh Telangi
Email: maheshtelangi@dbs.com
CIN: U65999DL2018FLC329236

Registered Office

A-54, MIDC, Opp MIDC Bus Depot, Andheri (East),
Mumbai City, Mumbai, Maharashtra, India 400 093

Registrar and Transfer Agents

KFin Technologies Limited

Selenium, Tower B, Plot no. 31 and 32 Financial
District Nanakramguda Serilingampally Hyderabad
Rangareddi 500 032, Telangana, India
Tel: +91 40 6716 2222
Toll-free number: 1800 309 4001
E-mail: einward.ris@kfintech.com
Contact person: M Murali Krishna
Website: www.kfintech.com
SEBI Registration No: INR000000221
CIN: L72400TG2017PLC117649

Company Name: RISHABH INSTRUMENTS LIMITED

CIN: L31100MH1982PLC028406

ROC: Name ROC Mumbai

Registration Number: 028406

Date of Incorporation: October 06, 1982

Management Discussion and Analysis

Global Economy

The global economy has shown remarkable resilience in the face of multiple challenges, including the COVID-19 pandemic, the Russia-Ukraine conflict, and ongoing cost-of-living crises. Despite initial concerns, inflation is declining faster than expected since its peak in 2022. This decline has had a less severe impact on employment and economic activity than initially expected. This positive trend can be attributed to several factors.

Global growth will remain at 3.1% in 2024 and 3.2% in 2025. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical annual average of 3.8% (for 2000-2019), reflecting restrictive monetary policies, withdrawal of fiscal support, and low underlying productivity growth.

Mature economies are expected to stabilise with a slight improvement in growth to 1.5% in 2024 and 1.6% in 2025, despite being below the pre-pandemic average of 2.1%.

The US is anticipated to achieve a growth rate of 2.2% in 2024, although it may encounter economic challenges before stabilising in 2025. Europe is projected to experience a gradual recovery, with growth increasing from 0.7% in 2024 to 1.5% in 2025, supported by expected rate cuts. Emerging markets and developing economies are set for stable growth, with forecasts of 4.3% for both 2024 and 2025. China and India are expected to maintain robust growth, contributing to the Asian region's economic stability.

(Source: <https://www.conference-board.org/topics/global-economic-outlook>)



Indian Economy

India's GDP growth for 2023-24 is provisionally estimated at 8.2%, surpassing the 7.8% projection by the National Statistical Office (NSO) and the 7.6% estimate by the RBI. This impressive growth, driven by a rise in investment spending, has also led to a reduction in the fiscal deficit to 5.6% for 2023-24.

Despite strong headline GDP numbers, there are signs of weakness in consumption spending, which accounts for two-thirds of growth. Private final consumption expenditure increased by only 3.1% in 2023-24. This sluggish consumption is attributed to reduced urban spending after the post-COVID sales bump and slow rural spending due to the uneven 2023 monsoon. However, with a favourable monsoon forecast for this year, rural spending is expected to resume.

The manufacturing sector witnessed a significant growth of 9.9% in 2023-24, highlighting the success of the Government's efforts for the sector. Growth in real Gross Value Added (GVA) accelerated to 7.2% in 2023-24 from 6.7% in 2022-23, mainly due to the manufacturing sector's performance. Overall, India's economic outlook remains optimistic, buoyed by robust investment driving growth and the potential for enhanced consumption as conditions stabilise. The country's robust estimated GDP growth rate of 8.2% in 2023-24 is the highest among major economies worldwide.

(Source: <https://www.forbesindia.com/article/news/at-82-percent-indias-gdp-growth-continues-to-surprise/93275/1>)

Electrical Automation Market

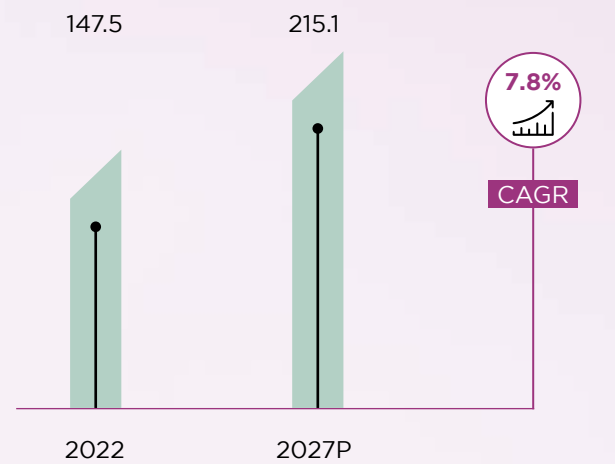
The electrical automation sector plays a crucial role in streamlining complex systems through signal integration. With the global adoption of digitisation and Industry 4.0 strategies, industries are increasingly focussing on enhancing operational efficiency and flexibility. This is driving the demand for electrical automation components. This trend has spurred consistent growth in the global electrical automation market.

In India, various industries including automotive, food and beverage, FMCG, and chemicals are witnessing a remarkable uptick in automation adoption. Manufacturers are prioritising automation

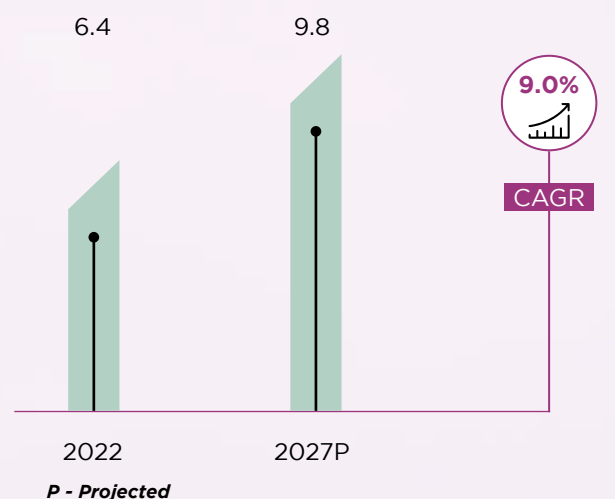
to meet international quality standards and boost productivity. The Industrial Internet of Things (IIoT) concept is gaining traction, further propelling growth in India's electrical automation sector.

India's proactive efforts to attract investments and fortify its global supply chain position amid evolving geopolitical dynamics add to the market's positive outlook. Collaborative endeavours between nations, such as India and the US, promise a bright future for semiconductors, defence, and emerging technologies. This bodes well for the overall advancement of the electrical automation industry, with emerging segments like building automation and data centres poised for substantial expansion.

Global Electrical Automation Market Size (in USD Billion)



Indian Electrical Automation Market Size (in USD Billion)





Metering, Control, and Protection Devices Market

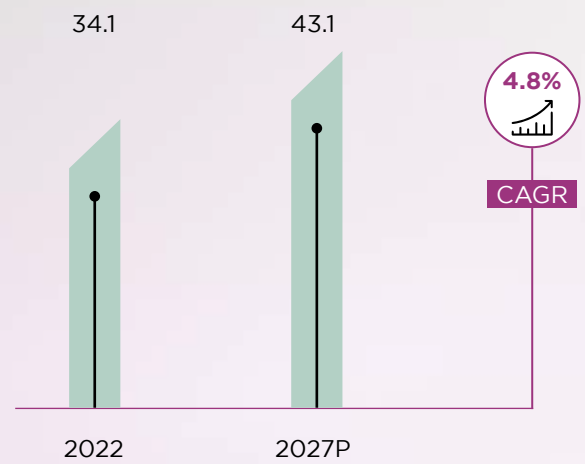
The metering, control, and protection devices market, both globally and in India, is poised for substantial growth in the coming years. Despite the setbacks caused by the COVID-19 pandemic, the demand for these devices remains robust, due to various factors. In the global landscape, the resurgence of infrastructure development and the gradual recovery of industries post-pandemic are expected to fuel the expansion of this market. As economic investments gain momentum, there's a renewed focus on upgrading and modernising electrical distribution networks, industrial panels, and process controls. Moreover, increasing awareness about energy efficiency and the need for reliable power distribution further augments the demand for these devices across various sectors.

In India, the growth trajectory is propelled by heightened demand from the utility sector, coupled with a favourable regulatory environment and Government initiatives aimed at infrastructure development. The market is characterised by a mix of multinational corporations with local manufacturing facilities and home-grown companies offering innovative solutions tailored to domestic market needs.

Moving forward, key differentiating factors such as product innovation, reliability, user safety, and ease of installation will continue to drive the competitiveness of market players.

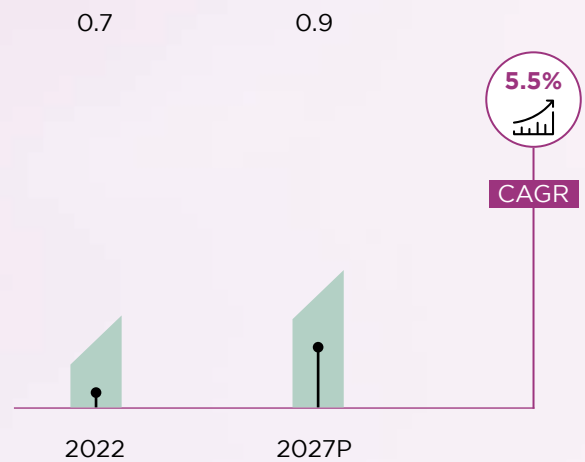
Global Metering, Control, and Protection Devices Market Size

(in USD Billion)



Indian Metering, Control, and Protection Devices Market Size

(in USD Billion)



P - Projected

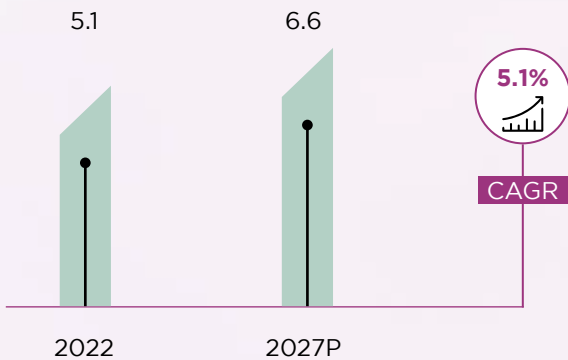


Portable Test and Measurement Instruments Market

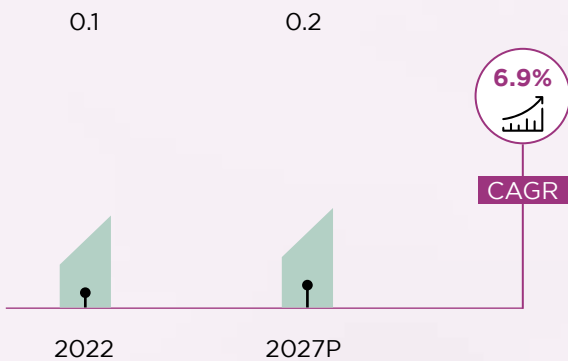
The global market for portable test and measurement instruments is experiencing steady growth, driven by the increasing demand for highly reliable electronic devices and the ongoing digital transformation across industries. This growth is particularly pronounced in regions like the Asia-Pacific, including India, where rapid urbanisation, industrialisation, and favourable Government policies create a conducive environment for market expansion.

In India, the growth of the portable test and measurement instruments market is fuelled by several key factors, including the rise in electric vehicle (EV) manufacturing, heightened defence testing, and a growing emphasis on solar PV installations. Moreover, the growth of electronics manufacturing, especially in communications and consumer electronics, makes a substantial contribution. Government initiatives like Make in India drive investments in these sectors, providing financial incentives to OEMs for expanding their manufacturing capabilities, further propelling market growth.

Global Portable Test and Measurement Instruments Market (in USD Billion)



Indian Portable Test and Measurement Instruments Market (in USD Billion)



P - Projected

Solar Inverters Market

The global solar PV market is experiencing a resurgence post-pandemic, fuelled by declining prices of modules and inverters, which are driving heightened installations worldwide. This growth is marked by an expanding geographical distribution of solar PV installations, with emerging markets like India becoming the key drivers of this expansion.

The solar industry's positive trajectory is underpinned by a global shift towards renewable energy sources, particularly solar power. This is further supported by initiatives like the Paris Agreement and ambitious national targets such as India's pledge to derive 40% of its energy from renewable sources by 2030.

In India, government initiatives like Make in India and attractive financial incentives such as tax holidays are stimulating investments in solar infrastructure. Rooftop solar installations are gaining significant traction, buoyed by policies mandating a percentage of distributed power to originate from renewable sources. This presents a notable opportunity for the solar string inverter market, given that rooftop installations typically rely on string inverters.

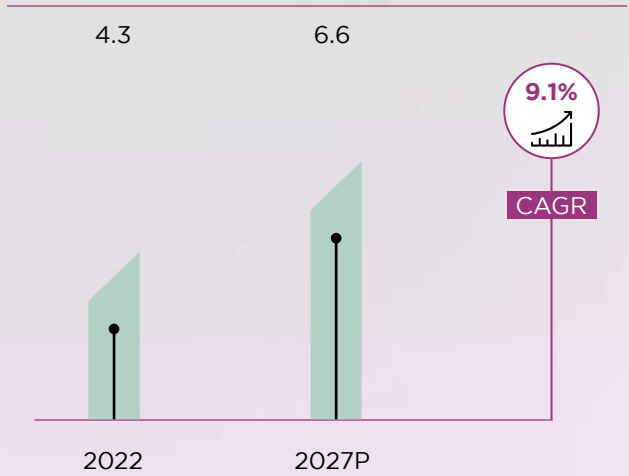
Moreover, the growth of this market is propelled by increasing installations across diverse sectors including education, automotive, transportation, and power generation. As industries increasingly embrace solar power for their economic and environmental advantages, the demand for string inverters is anticipated to soar further, driving robust expansion in the coming years.





Global Solar Inverters Market

(in USD Billion)

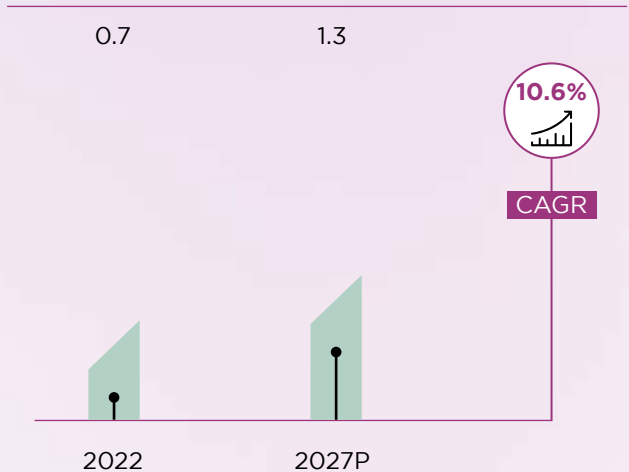


Furthermore, the rise of EVs has opened up new opportunities for HPDC. Components such as EV motors and battery housings, vital for enhancing drive range and safety, are driving additional demand in the market.

Looking ahead, the outlook for the aluminium die-casting market remains promising, buoyed by factors like Government incentives for EV adoption, stringent emission standards, and the ongoing recovery of automotive sales. This positive momentum indicates sustained growth and high demand for aluminium cast parts, both in the automotive sector and other industrial applications, over the next decade.

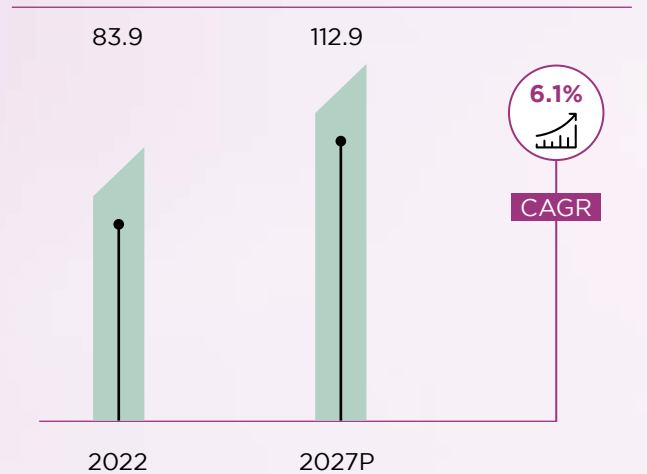
Indian Solar Inverters Market

(in USD Billion)



Global Aluminium HPDC Market

(in USD Billion)

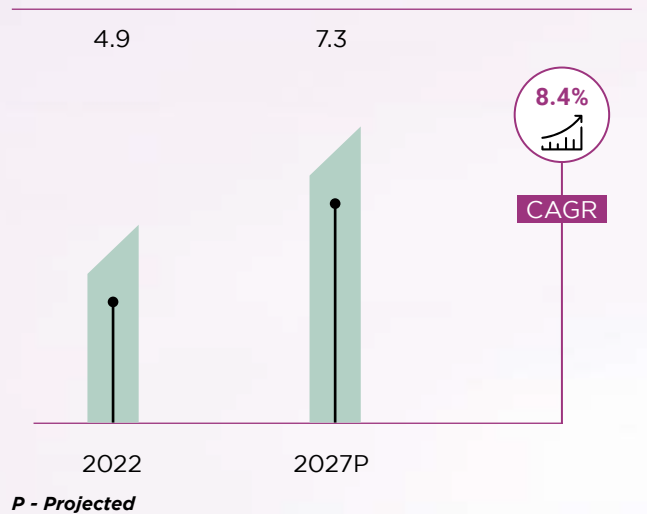


Aluminium High-Pressure Die Casting (HPDC) Market

Globally, the market for high-pressure aluminium die casting (HPDC) has experienced robust expansion, driven by the automotive industry's demand for lightweight and durable components. With a well-developed ecosystem supporting material suppliers, skilled labour, and equipment, India's contribution to this market has been noteworthy. Companies in India manufacture critical components like engine blocks and bed plates, contributing significantly to the automotive industry's advancement.

Indian Aluminium HPDC Market

(in USD Billion)



Opportunities

Manufacturing Growth

The expansion of manufacturing activities, particularly in the automotive, food and beverage, FMCG, and chemicals sectors, drives the adoption of automation technologies to enhance productivity and meet international standards.

Rapid Urban Expansion

Urbanisation trends are driving the demand for infrastructure development, housing, and commercial spaces. This is boosting the demand for electrical automation, solar inverters, and aluminium die-casting components.

Industry 4.0 Adoption

The shift towards digitalisation and Industry 4.0 strategies is fuelling the demand for electrical automation components, facilitating efficient and flexible operations across industries.

Policy Support

Government initiatives like Make in India and financial incentives for EV adoption, infrastructure development, and renewable energy projects stimulate investments and drive market growth.

Infrastructure Development

The Government's focus on infrastructure development, including transportation, energy, and smart cities, translates to increased demand for electrical automation, solar inverters, and aluminium die-casting components to support these projects.



Threats

Competitive Threats

Indian players may lose out to global competitors if the manufacturing of electrical automation components is not strengthened in India. Additionally, the acquisition of Indian players by global competitors further threatens their market share and sustainability.

Market Entry and Sustenance Challenges

Global companies possess strong brand presence and equity, and extensive distribution networks, creating significant barriers for local players to enter and sustain themselves in the market.

Geopolitical Disruptions

Geopolitical instability can lead to significant supply chain and operational challenges, impacting the continuity and efficiency of business operations.

The Dominance of Chinese Players

The market is heavily dominated by Chinese companies. This poses substantial challenges for Indian players in terms of market entry and sustainability.

Impact of Global Supply Chain and Geopolitical Issues

The increasing emphasis by governments worldwide on securing local supply chains may adversely affect the export market. Additionally, global geopolitical disruptions can impact the supply of semiconductors to the automotive industry, consequently reducing orders for aluminium die casting.



Company Overview

Established in 1982, Rishabh Instruments Limited (also referred to as 'RIL' or 'The Company') is a global energy efficiency solutions provider, specialising in electrical automation, metering and measurement, and precision-engineered products. RIL caters to diverse industries including power, automotive, railway, and industrial sectors, offering a comprehensive range of electrical measurement and process optimisation equipment. The Company's portfolio focuses on designing, developing, manufacturing, and selling devices under its brand, providing cost-effective solutions to measure, control, record, analyse, and optimise energy and processes.

RIL is recognised as a global leader in the manufacturing and supply of analog panel meters and ranks among the top global companies in low-voltage current transformers. Additionally, RIL offers complete aluminium HPDC solutions for automotive compressor manufacturers and high-precision flow meter manufacturers, specialising in close tolerance fabrication, machining, and finishing of precision components.

As a vertically integrated player, RIL designs, develops, manufactures, and supplies electrical automation devices, metering, control and protection devices, portable test and measuring instruments, and solar string inverters. Through its subsidiary, Lumel Alucast, RIL extends its expertise in aluminium HPDC manufacturing and supply. The Company also provides various manufacturing services, including mould design and manufacturing, EMI/EMC testing services, electronic manufacturing services, Energy Management Services, and software solutions such as MARC.

With a strong global presence, RIL serves over 3,000 customers across 100+ countries, offering 145+ product lines. The Company operates five manufacturing facilities (two in Nashik, two in Poland, and one in China), supported by dedicated research and development units. RIL's facilities are equipped with numerous approvals and certifications, ensuring high-quality and compliant production. Additionally, RIL operates modification centres in the UK and the US, enhancing its ability to serve global markets effectively.

The Company's Polish subsidiaries, Lumel SA and Lumel Alucast, contribute significantly to its manufacturing capabilities and global reach. With an

impressive catalogue of 35.5 Million product SKUs, RIL maintains a strong B2B focus, engaging in white labelling for industry giants.

Financial Highlights

For 2023-24, on a consolidated basis, RIL's revenue stood at INR 6,897 Million, marking a substantial increase from INR 5,695 Million recorded in the previous year, reflecting a growth of 21%. The adjusted EBITDA for 2023-24 stood at INR 955 Million, an increase from INR 841 Million in the previous year. The Profit Before Tax (PBT) for 2023-24 stood at INR 511 Million as compared to INR 607 Million in the previous year, witnessing a slight decrease of (15.8)%. The Company's Profit After Tax (PAT) for 2023-24 stood at INR 399 Million as compared to INR 497 Million, registering a decrease of (19.6)%. The basic EPS is INR 10.71 and the diluted EPS is INR 10.61 for 2023-24.

Segment Performance

Segments	Revenue %
Electrical Automation	9.6
Metering, Control and Protection Devices	41.3
Portable Test and Manufacturing Instruments	7.7
Aluminium HPDCs	38.9
Others	2.5

- Electrical automation witnessed a substantial growth of 17% in 2023-24, reaching INR 659 Million on a y-o-y basis
- Metering and control devices also experienced a notable increase of 17% in 2023-24, reaching INR 2,849 Million compared to the previous year
- The aluminium die-cast business demonstrated significant growth of 19% in 2023-24, reaching INR 2,686 Million y-o-y
- Portable testing and measurement instruments recorded healthy double-digit growth of 31% in 2023-24 compared to the previous year
- Other products like solar string inverters exhibited remarkable growth potential, with a robust increase of 348%, reaching INR 170 Million in 2023-24

Risk Management

Risk	Description	Mitigation
<p>Economic Risk</p>	<p>Economic risk refers to the potential for RIL's financial performance and market position to be adversely affected by macroeconomic conditions and trends, such as economic recessions, inflation, changes in interest rates, and fluctuations in economic growth.</p>	<ul style="list-style-type: none"> • To mitigate economic risk, by employing strategies such as diversifying its product portfolio and geographic markets, focusing on cost management and efficiency improvements, and engaging in rigorous financial planning and stress testing • To closely monitor macroeconomic indicators and market trends, invest in innovation and R&D to stay competitive, and maintain strong customer relationships • To actively renegotiate long-term contracts with the Lumel Alucast automotive customers to address the significant cost increases driven by labour, inflation, and energy expenses
<p>Operational Risk</p>	<p>Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. This includes risks related to production delays, system failures, or breaches in cybersecurity.</p>	<ul style="list-style-type: none"> • To mitigate operational risks by implementing robust internal controls and process improvement initiatives • To invest in advanced technology and regularly maintain its machinery and equipment to ensure smooth operations • To undertake comprehensive training programmes for employees • To ensure strict adherence to safety and quality standards to avoid operational risks
<p>Regulatory and Compliance Risk</p>	<p>Regulatory and compliance risk is the risk of loss resulting from non-compliance with laws, regulations, and industry standards. RIL operates in multiple jurisdictions and must comply with various local and international regulations.</p>	<ul style="list-style-type: none"> • To have a dedicated compliance team that monitors regulatory changes and ensures that the Company's operations are in full compliance with applicable laws • To maintain high standards of regulatory adherence, the Company conducts regular audits and compliance training for employees



Risk	Description	Mitigation
<p>Commodity Price Risk</p>	<p>RIL is exposed to commodity price risk, primarily concerning the prices of raw materials such as metals and electronic components. These price fluctuations can impact the cost of production and ultimately the profit margins of the Company.</p>	<ul style="list-style-type: none"> • To enter long-term supply contracts with suppliers to lock in prices and reduce volatility • To engage in strategic sourcing and bulk purchasing to benefit from economies of scale • To closely monitor commodity markets and use financial derivatives to hedge against adverse price movements
<p>Supply Chain Risk</p>	<p>Supply chain risk refers to the potential for disruptions in RIL's supply chain, which can affect the timely and cost-effective procurement of raw materials, components, and finished goods.</p>	<ul style="list-style-type: none"> • To mitigate supply chain risk by diversifying its supplier base and establishing strategic partnerships with key suppliers to ensure reliability and stability • To apply robust inventory management practices, including maintaining safety stock levels and just-in-time systems, and continuously monitor its supply chain using advanced analytics and real-time data • To use technology and automation to enhance supply chain visibility and efficiency, ensuring seamless coordination and minimal operational impact



Human Resources

RIL's workforce is a critical factor in maintaining the Company's competitive edge, supported by a comprehensive approach to employee training, retention, and development. The Company is dedicated to enhancing operational excellence, productivity, and adherence to quality and safety standards through regular employee training. To further motivate and reward contributions, RIL offers Performance Linked Incentives (PLIs).

RIL places strong emphasis on building robust bench strengths through diverse initiatives and strategic collaborations. These include management development programmes and partnerships with leading technical and management universities in India, such as KK Wagh, SP Jain, Symbiosis, and IIT Mumbai. In Europe, RIL has forged key alliances with institutions like Zielona Gora University and Poznan University in Poland and Chemnitz University of Technology in Germany.

Specifically, RIL's collaboration with Zielona Gora University has led to the creation of a specialised Master's program for Indian engineering students, sponsored by Lumel SA & Lumel Alucast. In addition, Lumel has initiated vocational training programmes for juvenile employees, offering them practical skills in electronics, CNC machine operation, and logistics. RIL also partners with Poznan and Chemnitz Universities to provide vocational training, joint research projects, and cross-border EU initiatives, thereby bridging the gap between academic knowledge and practical industry needs.

Moreover, Lumel is actively engaged in educational outreach, hosting numerous student internships, participating in job and education fairs, and organising study tours to introduce young talent to the working environment at Lumel facilities. These initiatives, along with the establishment of a Center of Excellence at MVP College of Engineering and AI & Data Science internships, show RIL's commitment to preparing a future-ready workforce.

As of March 31, 2024, the Company had 531 permanent employees in India and 159 labourers hired on a contract basis. The total global headcount stands at 1418.

Internal Control Systems

RIL's internal control systems are meticulously designed to operate cohesively, incorporating thorough risk assessments, effective risk mitigation

measures, and continuous monitoring. Initially, the Company identifies key business risks through extensive analysis and implements tailored mitigation strategies. Routine monitoring of business operations is conducted by both the internal team and an independent internal audit firm. Any deviations are swiftly reported to the Management and Audit Committee for prompt action and correction. Well-documented policies and procedures ensure strict adherence to all relevant regulations, laws, and statutes. Additionally, robust IT systems are deployed to safeguard sensitive data and streamline audit processes effectively. RIL maintains compliance with accounting standards when recording transactions. Several strategies, including robust Management Information Systems (MIS), are employed for real-time reporting and expense control. Furthermore, any deviations from budgetary allocations are promptly identified and rectified to ensure strict compliance.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's projections, estimates, and expectations may be interpreted as 'forward-looking' within the meaning of applicable laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to its operations include economic conditions affecting demand and supply, price conditions in the domestic and international markets in which it operates, and changes in Government regulations, tax laws, and other statutes. The Company assumes no responsibility to publicly amend, modify, or revise any 'forward-looking' statements based on any subsequent developments, information, or events.





DIRECTORS' REPORT

Dear Members,

Rishabh Instruments Limited

The Board of Directors of your Company are pleased to present the 41st Annual Report along with the audited financial statements for the financial year ended March 31, 2024.

1. FINANCIAL RESULTS:

Particulars	(INR In Millions)			
	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Total Income	2,306.07	2,010.52	7,013.31	5,797.81
Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA)	515.93	363.81	827.25	863.24
Less: Interest	(6.69)	(25.28)	(40.78)	(51.50)
Profit Before Depreciation & Tax	509.24	338.53	786.47	811.74
Less: Depreciation	(99.90)	(95.98)	(275.99)	(204.59)
Profit before Tax (PBT)	409.34	242.55	510.48	607.15
Less: Tax Expenses	(85.50)	(55.79)	(111.54)	(110.28)
Profit after Taxation (PAT)	323.84	186.76	398.94	496.87

The abovementioned figures are extracted from financial statements prepared in accordance with the Indian accounting standards (IND AS).

2. BUSINESS OPERATIONS AND OUTLOOK

Your Company recorded a total income of INR 7,013.31 Million for the financial year 2023-24 as against INR 5,797.81 Million in 2022-23 resulting in an increase of 20.96% in the total revenue during the year under review on consolidated basis. The Profit after Tax of the Company was decreased by 19.71% from INR 496.87 Million in the year 2022-23 to INR 398.94 Million in the year under review.

Outlook of the business has been discussed in detail in the "Management Discussion and Analysis" which forms a part of this Annual Report.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there has been no change in the nature of business of the Company.

4. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the year under review, no companies have become or ceased to be the subsidiaries, joint ventures or associate companies.

5. DIVIDEND

With a view to conserve the resources of the Company the Directors are not recommending any dividend for the year under review.

6. TRANSFER OF PROFITS TO RESERVES

During the year under report, the Company proposes to transfer an amount of INR 323.84 Million to the Reserves.

7. PUBLIC DEPOSITS

During the year under review, your Company did not accept any deposits within the meaning of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, as amended from time to time. The Company has not accepted any fresh loans from directors or their relatives during the year under review.

8. REPORT ON PERFORMANCE OF SUBSIDIARIES

A statement containing salient features of the financial statements of Subsidiary Companies in Form AOC-1, as required under section 129 (3) of the Companies Act, 2013, forms a part of this Annual Report and is annexed as **Annexure A**. The audited financial statements

DIRECTORS' REPORT (Contd.)

in respect of each of the subsidiaries shall be kept open for inspection at the Corporate Office of the Company on all working days between 11.00 a.m. to 1:00 p.m. up to the date of the forthcoming Annual General Meeting. Further, the Company will make available the audited annual accounts and related information of the subsidiary companies, upon request by any Member of the Company.

9. CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements ("CFS") of your Company along with its subsidiaries

as at March 31, 2024 have been prepared in accordance with the Indian Accounting Standard on 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India read together with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI (LODR) Regulations") and form a part of this Annual Report. The Auditors' Report on the CFS is also attached, which is unmodified.

10. INVESTMENTS & ACQUISITIONS

During the year, your Company made a strategic investment to the tune of INR 39.36 Million.

The details regarding the same are as follows:

Sr. No.	Particulars	Details
1	Name of the target entity, details in brief such as size, turnover etc.	<p>Name: Shanghai VA Instrument Company Ltd., China</p> <p>Brief Details: Shanghai VA is engaged in the business of technology development, technology transfer, technical consultation, technical services in the field of instrumentation technology, industrial automatic control system device technology, import and export of goods, technology and assembly of general instrumentation and industrial automatic control system devices.</p> <p>Turnover 2022-23: 124.83 Million INR</p>
2	Industry to which the entity being acquired belongs.	Manufacturer and seller of Test and Measurement Instruments
3	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity).	For the purpose Expansion of Shanghai VA infusion of further Share Capital is required.
4	Consideration - whether cash consideration or share swap or any other form and details of the same.	Cash infusion of RMB 4 Million in USD equivalent.
5	Cost of acquisition and/or the price at which the shares are acquired.	Primary infusion at Face Value of RMB 1 per share.
6	Percentage of shareholding / control acquired and / or number of shares acquired.	Pre-infusion of further share capital, Rishabh Instruments owns 99.75% of Shanghai VA, and post-infusion, Rishabh Instruments will own 99.94% of VA.



DIRECTORS' REPORT (Contd.)

Sr. No.	Particulars	Details
7	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief).	<p>Shanghai VA was incorporated as a foreign joint venture enterprise on June 14, 2019 under the Companies Act of the People's Republic of China. The registered office of Shanghai VA is at Building 22, 4th Floor, Area A, 258 Yinlong Road, Jiading District, Shanghai, China. Its CIN is 91310114MA1GWC9K16. Shanghai VA is engaged in the business of technology development, technology transfer, technical consultation, technical services in the field of instrumentation technology, industrial automatic control system device technology, import and export of goods, technology and assembly of general instrumentation and industrial automatic control system devices.</p> <p>Turnover 2020-21: 132.02 Million INR Turnover 2021-22: 170.09 Million INR Turnover 2022-23: 124.83 Million INR</p>

11. UTILISATION OF IPO PROCEEDS

The proceeds of the IPO are being used for the purposes for which it was stated to be utilised in the Prospectus. The unutilised portion thereto has been invested in bank deposits as per the applicable rules. The summary of utilisation of IPO proceeds as on March 31, 2024 is stated in Note No. 67 of Notes to Accounts.

12. MANAGEMENT DISCUSSION AND ANALYSIS

As per the provisions of Regulation 34 of the SEBI (LODR) Regulations 2015, a detailed review by the Management of the business operations of the Company is presented under separate section "Management Discussion and Analysis" which forms a part of this Annual Report. The MD & A Report captures your Company's performance, industry trends and other material changes with respect to your Company.

13. CORPORATE GOVERNANCE REPORT

Your Company believes in adopting best practices of corporate governance. The Company has complied with the regulatory provisions for Corporate Governance as prescribed under Schedule V of SEBI (LODR) Regulations, 2015. The quarterly Corporate Governance Reports are submitted with the stock exchanges in compliance with the regulatory provisions. A

certificate from M/s KANJ & Co., LLP, Practicing Company Secretaries, confirming compliance of conditions of the Corporate Governance, forms a part of this Annual Report.

14. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As required under Regulation 34 of the Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) outlines the Company's various initiatives on environmental, social, and governance fronts. This report is an integral part of the Annual Report for the top 1,000 listed entities based on market capitalization. According to the market capitalization list issued by the Exchanges as of March 31, 2024, the Company was listed among the top 2,000 listed companies. The Company has chosen to voluntarily include the BRSR for the financial year 2023-24 in its Annual Report. Compliance with the Code of Conduct

A declaration signed by the Managing Director & CEO affirming compliance with the Company's Code of Conduct by the Directors and Senior Management Personnel, for the financial year 2023-24, as required under Schedule V of the SEBI (LODR) Regulations, forms a part of this Annual Report.

DIRECTORS' REPORT (Contd.)

15. DIRECTORS & KEY MANAGERIAL PERSONNEL

As on March 31, 2024, the Board comprised of one Executive Director, one Non-executive and Non-Independent Director and four Non-Executive Independent Directors. The Board is well diversified and consists of one Women Independent Director.

Sr. No.	Name	Designation
i.	Mr. Narendra Goliya	Chairman and Managing Director
ii.	Mr. P. K. Ramakrishnan	Non-Executive Director
iii.	Mr. Rathin Kumar Banerjee	Independent Director
iv.	Mr. Siddharth Bafna	Independent Director
v.	Ms. Astha Kataria	Independent Director
vi.	Mr. Lukasz Meissner	Independent Director

Mr. Narendra Goliya, Chairman and Managing Director, Mr. Dineshkumar Musalekar, Group Chief Executive Officer, Mr. Vishal Kulkarni, Chief Financial Officer and Mr. Ajinkya Joglekar, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company within the meaning of sections 2(51) and 203 of the Companies Act, 2013 read together with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as on March 31, 2024.

During the year under review, Mr. Alipt Sharma (DIN: 03128439) and Mr. Krishnan Ganesan (DIN: 07885495), tendered their resignation as Non-Executive Nominee Directors of the Company pursuant to SACEF Holdings II (the Investor) sold its 100% shareholding through an offer for sale in the Initial Public Offer.

17. BOARD MEETINGS

During the financial year 2023-24, Nine (9) Board meetings were held on June 30, 2023, July 24, 2023, August 07, 2023, August 22, 2023, September 04, 2023, September 06, 2023, September 30, 2023, November 10, 2023, February 12, 2024. The maximum time gap between any two meetings did not exceed prescribed period of one hundred twenty days. The particulars of directors present at various Board and Committee Meetings are given in the

Corporate Governance Report which forms part of this Report.

18. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of your Company to the best of their knowledge and ability hereby state and confirm that:

- In the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the same period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on a going concern basis;
- Proper internal financial controls have been laid down in the Company that are adequate and were operating effectively.
- Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems are adequate and are operating effectively.

19. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from each Independent Director under section 149(7) of the Companies Act, 2013 that he/she fulfils the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.



DIRECTORS' REPORT (Contd.)

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Code of Conduct for Directors and senior management personnel of the Company.

Based on the confirmations/disclosures received from the Directors under Section 149(7) of the Companies Act 2013 and on evaluation of the relationships disclosed, the following Non-Executive Directors are considered as Independent Directors:

- a. Mr. Rathin Kumar Banerjee
- b. Mrs. Astha Kataria
- c. Mr. Siddharth Bafna
- d. Mr. Lukasz Meissner

20. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR.

In the opinion of the Board, the independent directors fulfil the conditions specified in SEBI

(LODR) Regulations, 2015, and are independent of the management of the Company. The Independent Directors have complied with the code prescribed in schedule IV of the Companies Act, 2013.

21. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

The Board has established a comprehensive process to evaluate the performance of the Directors, Committee and the Board. The performance evaluation matrix defining the criteria of evaluation for each of the above has been put in place. The performance evaluation of the Independent Directors was carried out by the Board (excluding the Director being evaluated). A meeting of the Independent Directors was also held on August 24, 2023 and February 29, 2024 to review the performance of Non-Independent Directors and the Board as a whole. The Chairperson of the Committee had updated the other members of the Board about the outcome of the process.

22. COMMITTEES OF THE BOARD

During the year under review, the composition of different Committees of your Board of Directors is given hereunder:

Name of Committee	Name of Committee Members	Category (Chairman/Member)
Audit Committee	Mr. Siddharth Nandkishore Bafna	Chairman
	Mr. Rathin Kumar Banerjee	Member
	Mr. Narendra Johrimal Goliya	Member
	Mr. Lukasz Meissner	Member
Stakeholder Relationship Committee	Mr. Ramakrishnan Kottekode Parappath	Chairman
	Mr. Siddharth Nandkishore Bafna	Member
	Mr. Narendra Johrimal Goliya	Member
Nomination and Remuneration Committee	Mr. Rathin Kumar Banerjee	Chairman
	Mrs. Astha Ashish Kataria	Member
	Mr. Ramakrishnan Kottekode Parappath	Member
Risk Management Committee	Mr. Narendra Johrimal Goliya	Chairman
	Mrs. Astha Ashish Kataria	Member
	Mr. Ramakrishnan Kottekode Parappath	Member
Corporate Social Responsibility Committee	Mr. Narendra Johrimal Goliya	Chairman
	Mr. Rathin Kumar Banerjee	Member
	Mr. Ramakrishnan Kottekode Parappath	Member

DIRECTORS' REPORT (Contd.)

23. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Board appointed M/s. KANJ & Co., LLP (LLPIN: AAM-2628), Practising Company Secretaries, Pune as the Secretarial Auditors of the Company. The Secretarial Auditor's Report forms part of this Annual Report, annexed as **Annexure B**.

24. STATUTORY AUDITORS

M/s MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W), were appointed by the Shareholders at the 39th Annual General Meeting held on September 21, 2022 as Statutory Auditors for a term of five consecutive years to hold office until conclusion of 44th Annual General Meeting. Pursuant to the amendment to Section 139 of the Companies Act, 2013 effective from May 07, 2018, ratification by shareholders every year for the appointment of Statutory Auditors is no longer required and accordingly, the Notice of ensuing 41st Annual General Meeting does not include the proposal for seeking shareholders' approval for ratification of Statutory Auditors appointment.

25. AUDIT OBSERVATIONS

Statutory Audit: There is no Audit observation during the financial year 2023-24 as provided by the Statutory Auditors. The Statutory Auditors have not reported any fraud during the financial year 2023-24.

Secretarial Audit: The Board of Directors acknowledge the observations concerning the compliance with various regulations and standards. The Board is committed to maintaining rigorous adherence to the Securities and Exchange Board of India (SEBI) regulations, the Companies Act, 2013, and other relevant guidelines. The Board appreciates the Secretarial Auditor's detailed feedback and would like to address the key points raised.

The Board is addressing the specific issues highlighted with respect to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is in the process of refining the document preservation policy to ensure compliance with Regulation 9(1).

The Audit Committee is actively reviewing the internal audit function and has scheduled discussions to address any significant findings. The Board acknowledges the lapse in the submission of Board minutes for subsidiary meetings and is implementing measures to rectify this. Additionally, the Board is revising procedures to ensure proper recording of material modifications, updating omnibus approvals, and adhering to all requirements concerning independent directors' meetings and declarations.

Regarding the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board is enhancing the structured communication process for UPSI and working on strengthening Structured Digital Database (SDD). The Board is developing a comprehensive policy for determining legitimate purposes and is working on adopting the internal code of conduct governing securities dealings. Furthermore, the Board is in the process of identifying connected persons and ensuring all disclosures from designated persons are received as required.

The Board is addressing the compliance issues related to the Companies Act, 2013 and other applicable regulations. The Board is taking steps to ensure the timely filing of e-forms and complete details in the omnibus approvals as required by the Companies (Appointment and Qualification of Directors) Rules, 2014. The Nomination and Remuneration Committee and Independent Directors' meetings are being adjusted to ensure compliance with statutory requirements. Additionally, the Board is working on improving the accuracy of board meeting minutes, addressing approval requirements for ESOPs and FC-GPR filings, strengthening adherence to Secretarial Standards and ensuring detailed disclosures in the Board's Report and AGM notices.

26. COST RECORDS & AUDITOR

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013 and applicable rules, the Board has appointed M/s. Hareesh K. Shetty & Co., as the Cost Auditors of the Company to conduct an audit of cost records maintained by the Company for 2023-24.



DIRECTORS' REPORT (Contd.)

27. INTERNAL AUDITORS

The Board appointed M/s. Rajendra P. Shah & Co., Chartered Accountants, as the Internal Auditor of the Company for 2023-24.

28. PARTICULARS OF EMPLOYEES REMUNERATION

Pursuant to the provisions of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing details of personnel drawing remuneration in excess of the prescribed limit under the said rules, are annexed as **Annexure C** to the Directors' Report. During the year under review, the Company continued to focus on talent conservation and talent development.

29. EMPLOYEE STOCK OPTION SCHEME

Your Company has Employee Stock Option Plan 2022 under which there are two Schemes namely, Employees Stock Option Scheme A, 2022 and Employees Stock Option Scheme B, 2022 for granting term based and performance-based Stock Options to the Employees of the Company.

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

Particulars required to be furnished under the Companies (Accounts) Rules, 2014 are as under:

- **Energy Conservation:**

- a. Steps taken or impact on conservation of energy: During the fiscal year 2023-24, we diligently pursued energy-saving measures across our operational areas, resulting in substantial reductions in energy consumption and corresponding cost savings. Through the implementation of solar systems at various facilities, we have successfully harnessed renewable energy sources, thereby significantly mitigating our environmental impact while concurrently bolstering our financial performance.

At our F-31 Plant, we have leveraged our existing infrastructure by

integrating a robust solar system with a total capacity of 324 KW, comprising a 280 KW system and an additional 44 KW system. This initiative has yielded impressive results, with a combined energy savings of 377,561 units.

Similarly, at our C-6 Plant, the installation of a 20 KW solar system has further contributed to our energy conservation endeavours, resulting in savings of 22,657 units.

In aggregate, the energy-saving initiatives undertaken throughout the year have culminated in a total reduction of 400,218 consumption units across our operations. This not only underscores our unwavering commitment to sustainability but also highlights the tangible benefits derived from our renewable energy investments. Moreover, these savings translate into significant cost efficiencies, fortifying our financial resilience and long-term viability.

- b. As we continue to prioritise sustainability and environmental stewardship, we remain steadfast in our pursuit of innovative solutions to minimise our ecological footprint while maximising operational efficiency. Through continued investment in renewable energy infrastructure and proactive energy management practices, we are confident in our ability to drive sustained value creation for our stakeholders while fostering a more sustainable future for generations to come.
- c. Steps taken by the Company for utilising alternate sources of energy: As above.
- d. Capital investment on energy conservation equipment: As above-

- **Research & Development:**

- a) Rishabh R&D after completing the development of the Direct current

DIRECTORS' REPORT (Contd.)

Single phase energy meter in DIN 2U size, successfully completed the development of a three-phase direct current energy meter in DIN 4U size. The development of three phase energy meter will help to fulfil the Domestic and European market requirement for a DIN mounted direct current energy meter. The meter can measure direct current up-to 100A (No need of external Current transformers) with accuracy class B as per EN50470 and Class 1 as per the IEC62053-21. The meter has a 7 segment LCD display, to display the different parameters. The meter supports 2 SO output along with two DI with Modbus communication for remote data monitoring. The meter has been designed to comply with the MID standard, Indian standard and international IEC standards.

b) After the launch of the commercial series of inverters, the need was felt to expand the Rishabh basket of solar products in to the residential inverters segment for the reasons mentioned below:

- To cater to the rising demand of single phase rooftop solar installation backed by government policies, Rishabh decided to develop the robust, cost effective, easy to install series of solar inverters.

The features identified through market research and customer feedback or their suggestions for single phase inverters:

- Single phase inverters are extremely weight sensitive and hence the targeted weight is <11kg.
- The overall targeted dimensions are Width x Height x Depth: 381 x 382 x 166mm.
- The method of cooling adopted will be Natural convection; this ensures the maintenance-free operation of the inverter.

- The targeted design life of the inverter will be greater than 10yrs.
 - Wider operating temperature range i.e 25 to 60degC without derating. This makes inverters suitable for installations in all kinds of geographical locations.
 - Newer user interface like LED based graphical display and connectivity features like Bluetooth. The objective is to simplify the user interface, so that even laymen can understand and operate the inverter with ease without any expertise.
 - To make the inverter versatile towards adoption of different types of panel technologies that is higher short circuit current and higher open circuit voltages. Hence, Rishabh inverter will be designed for voltage ratings up to 600V and short circuit current of up to 22A.
 - Key features like inbuilt zero export function, String current analysis, remote monitoring features like GSM, Ethernet, Wifi etc will be provided.
- c) The success of LM1360 in domestic and international market triggered Rishabh R & D to expand the LM series. The new product was introduced in LM series LM1340 which was a subset of LM1360 but with high display resolution for measured parameters. The LM1360 has a single digit resolution for measured parameters, but in the case of LM1340 it was increased to two digits after the decimal point. The LM1340 additionally has 2 digital inputs and 2 digital output. Both the digital input can be configured to monitor the digital signal of an external device or can be used to switch the tariff zones of all 6 different types of energy. Along with DI/DO, the LM1340 supports the relay output. The relay output can be configured in one of the different modes available on the



DIRECTORS' REPORT (Contd.)

- meter like Pulse output, Limit switch (alarm), Timer, Pre-paid cost based energy tripping, remote relay control using MODBUS.
- d) Rishabh R&D not only design the product required for higher end market but to support lower end market needs Rishabh R&D completed the development of product Rish Delta Energy Nx. Nx stand for the next generation product and Rish Delta energy is not only next generation product but also economical to the customer. Rish Delta Energy Nx has a Capacitive touch keys instead of tactile keys. Adding capacitive touch key feature not only gives it a premium look but also gives the soft touch feel along with extended life of the keys. The Rish Delta Energy Nx have 3 line 7 segment LED display with LED for parameter annunciation. The meter has an RS485 communication port for remote monitoring along with the relay output.
- e) After getting the Rishabh product success in European and domestic markets, the need was felt to cater to the American market. This year, Rishabh R&D team got the opportunity to work on ANSI energy meters which are required by the utilities in the US for billing the energy consumption of domestic, commercial and industrial customers. There is a requirement of a Socket type energy meter with a current range ranging up to 200A. There are two types of socket meters, team is in the process of designing Form 2S and Form 12S meters. The Form 2S meters support a split phase network or it is also called 1phase 3wire network. The Form 12S meters are required for 3Phase3Wire delta and 1 phase 3 wire network supporting the Bondel theorem, which is also known as Network in ANSI terminologies. The product study has been completed, now the team is in the process of designing the product.
- f) To expand the CT business beyond the European and domestic market, the need was felt to capture the American market, Rishabh R&D has developed 61 new types of American current transformers (i.e Non-ANSI Rated Window Type 600V Current Transformers, ANSI Rated Window Type 600V Current Transformers, ANSI Rated Bushing Type etc). These current transformers comply to ANSI standard ANSI/IEEE C57.13. It has a variety of shapes like SHT, SFT, RL, DRL, RT, RBT, RBL as per application requirements. It also offers MR i.e. multi ranges in a single current transformer. To cater to the high temperature requirement, UL grade poly-carbonate material is selected. To cover the maximum applications, different mounting options are available, like wall mounting, bushing type mounting and bus bar mounting.
- g) To expand and capture the global market, Rishabh R&D has developed a compact, cost-effective, reliable, accurate and aesthetically enhanced Core Balance Current transformer series suitable for working at high temperatures. To cater to the high temperature requirement, UL grade nylon material is selected. CBCT is designed to detect earth leakage current and transmit a proportional signal to an earth leakage relay. As there is need for tamper proof connections, the CT's are designed in such a way that the terminal cover's can be sealed on site by the user and fulfil the tamper proof requirement. To cover the maximum application, different mounting options are considered while designing the current transformer like DIN mounting, wall mounting, cable tie mounting and bus bar mounting which will help the user while installation of CT's. Also common Wall mounting clamps for all sizes of CT's. Provision for connectors on either side of CT's which provides flexibility to users.



DIRECTORS' REPORT (Contd.)

- h) After successful designing of ON-OFF, change over, multi-step, volt-ammeter, isolator, selector, reverse-forward switches the need was felt to design Breaker control switch having three position switch namely Trip, Neutral & Close switch. It is operated by a spring return mechanism which helps to operate the contact momentarily either trip side or closed. Rishabh R&D Developed New Breaker control switch Incorporated with newly pistol grip handle for better user ergonomics. BCS Switch is available with a lock and key feature which helps users to prevent accidental switching / powering of circuits by an unauthorised user. It is designed to compact in size, robust in design which also meets the safety requirements as per ISO 60947 standard. Switch is available with 30,45,60 degrees of handle rotation. BCS also incorporates with lost motion device(LMD) with different current rating which is available from 16A to 63A. Rish BCS LMD cam switches can be used with the PLC, SCADA which can detect or memorise the previous operation of the BCS switch. Switch can be installed up to 3 mm panel thickness with standard mounting, it can be easily interchangeable. The switch is made entirely of UL-grade nylon plastic, which withstands high temperatures.
- i) Photovoltaic power generation plants' voltage levels are continuously increasing to reduce the overall cabling costs and improve the efficiency of power generation systems. To cater to the high voltage requirements needs of photovoltaic plants for maintenance and installation engineers need was felt to design a High-Voltage adapter to equip the existing range of Multimeters and Clamp-meters with the capability to measure the increasingly higher voltages while ensuring the safety of testing personnel. Rish HV2K High Voltage adapter can support measurements upto 2000V DC in

CAT IV 1000V and CAT III 1500V environments by simply connecting a compatible Multimeter or Clampmeter. The Rishabh 60K multimeter has been upgraded with an HV Probe mode to directly show the actual high-voltage readings while using the Rish HV2K adapter. Other compatible Multimeters and Clampmeters can also be used with the Rish HV2K adapter, but the reading shown will be in 10:1 ratio.

- **Technology Absorption, Adoption**

- a) Rishabh R&D always tries to absorb and adopt new technologies as per the market requirements. MBUS is the latest example of adopting a new communication protocol required in the European market for DIN energy meters. MBUS is generally the communication protocol used by the utilities in Europe for monitoring the consumption of electricity, gas and water. A common protocol helps to maintain the compatibility between different service providers. The MBUS is actually a two-wire communication protocol based on master slave topology. The MBUS master sends the query to the slave and pulls the required data to a centralised data collection system. The MBUS slaves communication is powered by 30V supplied by the MBUS master on same lines on which data is sent. The Rishabh R&D studied the protocol, designed the required hardware and software and successfully completed the MBUS implementation.

- **Foreign Exchange earnings and outgo:**

Total foreign exchange earnings and outgo for the financial year were as follows:

	Year ended March 31, 2024 (INR in Millions)	Year ended March 31, 2023 (INR in Millions)
Total foreign exchange outgo	852.84	630.09
Total foreign exchange earnings	1,206.38	960.51



DIRECTORS' REPORT (Contd.)

31. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not granted any loan, given guarantee or made an investment over and above the limits prescribed under section 186 of the Companies Act, 2013, during the Financial Year under review.

32. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

During the year under review, no applications were made or any proceeding were pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

33. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, there had been no instances wherein the difference between amount of valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

34. RELATED PARTY TRANSACTIONS

All the related party transactions carried out during the year were carried out at arm's length basis and in ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company.

All the transactions with related parties were approved by the Audit Committee and the Board of Directors. The particulars of contracts entered during the year are given in Form AOC-2 enclosed as **Annexure D**.

35. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Your Company has a strong commitment towards the society we live in. Your Company has spent amounts in Healthcare, Woman

Empowerment, Animal Welfare and Education as a part of its CSR objects. The Company strives to promote cyber security awareness, promotion of education and community development. The Company's CSR policy is available on our website at <https://rishab.co.in/>.

During the year under review, the Company has spent INR 7.18 Million on CSR activities, out of the total amount of INR 3.84 Million as per provisions of the Section 135 of the Companies Act, 2013. The Company continues to remain committed towards undertaking CSR activities for the welfare of the society.

A Report on CSR activities of your Company under the provisions of the Companies Act, 2013 during 2023-24 is given as **Annexure E**.

36. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board of Directors of your Company are responsible for ensuring that the Internal Financial Controls ("IFC") are laid down in the Company and that such controls are adequate and are operating efficiently and effectively. The Company's IFC policies are commensurate with its requirements and are operating effectively. The Internal Financial Controls covered the policies and procedures adopted by the Company for ensuring orderly and efficient conduct of business including adherence to the Company's policies, safeguarding of the assets of the Company, prevention and detection of fraud and errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

37. VIGIL MECHANISM (WHISTLE BLOWER POLICY)

The Company has a well laid down Vigil Mechanism (Whistle Blower Policy), details of which are given in the Report on Corporate Governance forming a part of this Annual Report. The Company has also uploaded the said Whistle Blower Policy on its website at <https://rishab.co.in/>.

38. RISK MANAGEMENT POLICY

The Company has put in place a robust Risk Management Policy which facilitates identification of risks and also mitigation thereof. The Risk Management Committee is updated on the risks on a six-monthly basis. There are

DIRECTORS' REPORT (Contd.)

no risks which in the opinion of your directors threaten the existence of the Company.

39. POLICY ON APPOINTMENT AND REMUNERATION

Pursuant to Section 178(3) of the Companies Act 2013, the Nomination and Remuneration Committee of the Board has framed a policy for selection and appointment of Directors and senior management personnel, which inter alia includes the criteria for determining qualifications, positive attributes and independence of a Director(s)/ Key managerial personnel and their remuneration. An extract of the policy covering these requirements is provided in the Corporate

Governance Report that forms part of this Annual Report. The nomination and remuneration policy is available on the website of the Company (<https://rishabh.co.in/>).

40. INVESTOR EDUCATION AND PROTECTION FUND:

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends of a company which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF"). In terms of the foregoing provisions of the Act, no dividend amount or shares were required to be transferred to the IEPF by the Company during the year ended March 31, 2024.

41. OTHER MATTERS

Your Directors state that during the financial year under review -

- i. Neither the Managing Director nor the Whole-time Director of the Company received any remuneration or commission from any of its subsidiaries.
- ii. The Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings;
- iii. No significant or material orders were passed by the Regulators or Courts or

Tribunals which impact the going concern status and the Company's operations in future.

42. ANNUAL RETURN

Pursuant to Section 92 (3) read with Section 134 (3) (a) of the Companies Act, 2013, the Annual Return for the Financial Year 2023-24 will be uploaded at the website of the Company after filing with the MCA. (<https://rishabh.co.in/>)

43. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Internal Committee(s) has been set up across all its required locations in India to address complaints received regarding sexual harassment.

There were no complaints reported during 2023-24.

44. MATERIAL CHANGES/EVENTS AFTER BALANCE SHEET DATE

There were no material changes and commitments affecting the financial position during the period since the end of the financial year till the date of this report.

45. ACKNOWLEDGMENTS

Your Board places on record sincere gratitude and appreciation for all the employees. The Board conveys its appreciation for its customers, vendors, investors, bankers, end users, dealers, distributors, business partners, regulatory bodies and other business constituents during the year under review. We also thank the support received from various government and regulatory authorities.

For and on the behalf of the Board of Directors

Sd/-

NARENDRA J. GOLIYA

Place: Nashik

(DIN: 00315870)

Date: August 09, 2024 Chairman & Managing Director



ANNEXURE A

FORM AOC-I
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries
(Amounts in INR Million)

1	SI. No.	1	2	3	4	5	6	7
2	Name of the subsidiary	EnergySolution Labs Pvt Ltd	Dhruv Enterprises Limited, Cyprus	Sifam Tinsley Instrumentation Inc., USA	Lumel Alucast Sp. z.o.o., Poland	Sifam Tinsley Instrumentation Limited, UK	Lumel S.A. Poland	Shanghai VA Instruments Co. Ltd. China
3	The date since when subsidiary was acquired	November 10, 2004	May 23, 2011	April 11, 2014	March 22, 2011	October 25, 2013	March 09, 2016	January 03, 2020
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01 - March 31	April 01 - March 31	April 01 - March 31	April 01 - March 31	April 01 - March 31	April 01 - March 31	April 01 - March 31
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	EUR - 89.94	USD - 83.34	PLN - 20.95	GBP - 105.15	PLN - 20.95	RMB - 11.59
6	Share capital	23.00	7.07	41.29	123.95	0.11	292.78	60.27
7	Reserves & surplus	(14.09)	979.16	(30.29)	1,773.91	94.80	572.25	(28.86)
8	Total assets	16.31	1,087.97	46.16	2,828.58	138.88	1,513.97	138.07
9	Total Liabilities	7.40	101.74	35.16	930.72	43.98	648.95	106.66
10	Investments	0.00	1,043.82	0.00	0.00	0.00	0.00	0.00
11	Turnover	17.93	4.95	120.15	2,708.22	233.06	1,744.90	148.76
12	Profit before taxation	(7.25)	1.69	16.37	(14.26)	13.55	306.39	(36.28)
13	Provision for taxation/Deferred tax/ (Credit)/Prior period exps	0.02	(0.21)	0.00	(36.57)	0.00	63.69	0.00
14	Profit after taxation	(7.27)	1.90	16.37	22.31	13.55	242.70	(36.28)
15	Proposed Dividend	-	-	-	-	-	-	-
16	Extent of shareholding (in percentage)	99.57	100.00	100.00	100.00	50.10	100.00	99.94

ANNEXURE A (Contd.)

Notes:

1. Names of subsidiaries which are yet to commence operations

Sl. No.	Name of the Company			
-	-	-	-	-

2. Names of subsidiaries which have been liquidated or sold during the year.

Sl. No.	Name of the Company			
-	-	-	-	-

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1 Latest audited Balance Sheet Date	-	-	-
2 Date on which the Associate or Joint venture was associated or acquired	-	-	-
3 Shares of Associate/Joint Ventures held by the company on the year end			
i No.			
ii Amount of Investment in Associates/Joint Venture	-	-	-
iii Extent of Holding (in percentage)	-	-	-
4 Description of how there is significant influence	-	-	-
5 Reason why the associate/joint venture is not consolidated	-	-	-
6 Networth attributable to Shareholding as per latest audited Balance Sheet	-	-	-
7 Profit / Loss for the year			
i Considered in Consolidation	-	-	-
ii Not Considered in Consolidation	-	-	-

Notes:

1. Names of associates or joint ventures which are yet to commence operations.

Sl. No.	Name of the Company			
-	-	-	-	-

2. Names of associates or joint ventures which have been liquidated or sold during the year.

Sl. No.	Name of the Company			
-	-	-	-	-

FOR RISHABH INSTRUMENTS LIMITED

Sd/-

NARENDRA J.GOLIYA

Chairman And Managing Director

DIN: 00315870

Address: 'Rishabh Enclave'

Plot No. 5/6/7 S.N.42/2,

Anandwalli, Nashik 422013

Place: Nashik

Date: August 09, 2024



ANNEXURE B

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 No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
Members,

Rishabh Instruments Limited

A-54, MIDC, Opp MIDC Bus Depot,
Andheri (East), Mumbai- 400093

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RISHABH INSTRUMENTS LIMITED. (hereinafter called as "the Company or RIL"). 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024, 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 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 there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Applicable w.e.f., 11th September 2023, the date on which the Equity Shares were listed on BSE and NSE
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Applicable to the extent of applicable provisions of these guidelines relating to the IPO.
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: to the extent of applicable provisions of these guidelines relating to the ESOP.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: No events occurred during the period which attracts provisions of these guidelines hence not applicable.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client:
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: No events occurred during the period which attracts provisions of these guidelines hence not applicable.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: No events occurred during the period which

ANNEXURE B (Contd.)

attracts provisions of these guidelines hence not applicable.

(vi) We further report that, having regard to the compliance system prevailing in RIL and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to RIL:

- i. The Air (Prevention and Control of Pollution) Act, 1981
- ii. The Water (Prevention and Control of Pollution) Act, 1974
- iii. The Environment (Protection) Act, 1986 ("EPA"), the Environment (Protection) Rules, 1986 and the Environmental Impact Assessment Notification, 2006 ("EIA Notification")
- iv. The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Wastes Rules")
- v. The Public Liability Insurance Act, 1991 ("PLI Act") and the Public Liability Insurance Rules, 1991 ("PLI Rules")
- vi. The Foreign Trade (Development and Regulation) Act, 1992

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India:
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited;

During the period under review, the Company has generally complied with the provisions of the:

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except to the extent as mentioned below:
 1. The Company has a policy for preservation of documents, but the policy has not classified the documents specifically as required under the regulation 9(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The Company has a practice of presenting the budgets in the first meeting of the Board in every FY as required under Regulation 17(7) read with Part A Clause (A) & (B) of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; however, post listing of the Company this requirement was overlooked.
3. The Audit Committee of the Company has not yet reviewed the adequacy of internal audit function, 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 as required under regulation 18(3) read with Part C Para A clause (13) of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. The Audit Committee of the Company has not yet discussed with internal auditors of any significant findings and follow up there on at its meetings as required under the regulation 18(3) read with Part C Para A clause (13) of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. Due to cessation of Mr. Krishnan Ganesan there was change in the composition of NRC and Mr. Ramakrishnan was inducted as member from 10th November 2023 as required under Regulation 19(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the period starting from 31st Oct 2023 to 9th Nov 2023 the committee had two members only. However, there was no NRC meeting held during this period.
6. The determination of material modifications has not been recorded in the meeting minutes, nor is it specifically disclosed in the related party transaction policy as required under the regulation 23(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
7. The omnibus approval of audit committee currently does not specify indicative base



ANNEXURE B (Contd.)

price, current contracted price, or the formula for potential price variations, but we are committed to addressing these elements in future approvals as required under the regulation 23(3)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. There were some minutes of the meetings of unlisted subsidiaries that were placed before the board at its meeting. However, the minutes of the board meetings of the subsidiary company for two quarters were not placed at the board meeting of the company as required under the regulation 24(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 9. The Independent directors meeting was held on 24th August 2023 and 29th February 2024 for financial year 2023-24 as required under the regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 but it was attended in presence of company secretary. The attendance of company secretary was required to assist the Independent Directors to understand the agendas and take note of the inputs received from the IDs.
 10. Post listing, the minutes of the board meeting has not recorded the declaration and confirmation submitted by the independent director pursuant to regulation 25(8) as required under the regulation 25(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 11. Post listing, the minutes of the board meeting has not recorded the declaration, confirmation and disclosures pursuant to regulation 26(2), (3) & (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 except to the extent as mentioned below:
 1. The Company intimates the Insiders regarding the UPSI; however, the Company is in the process of analyzing how this can be done in a structured way as required under the regulation 3(1) of the SEBI (Prohibition

of Insider Trading) Regulations, 2015 and hence the USPI communication mechanism has to be strengthened.

2. The Company has maintained the Structured Digital Database ("SDD") under the regulation 3(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, however, there has been delay in logging of some entries in the SDD tool vis-a-vis the date of the relevant information sharing event.
3. The Company has adopted all the applicable procedures and practices as required under regulation 3 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 but after its listing on stock exchanges. The Company listed on BSE and NSE w.e.f. September 11, 2023. The Board of Directors approved the list of Designed Persons in the meeting of February 12, 2024. The Company has policies for communication of UPSI in place and is working on the establishment of mechanisms to trace it.
4. Due to the interpretational issue that the regulation 2(g) read with 2(d) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 are applicable after the date of listing, the Company is yet to identify connected persons.
5. The Company has code of fair disclosure and conduct which has defined legitimate purpose, but it does not have "Determination of Legitimate Purpose Policy" as part of the code as required under regulation 3 (2A) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.
6. The Company has formed the code of conduct to Regulate, Monitor and Report Trading by Designated Persons however was in the process of adopting an internal code of conduct governing dealing in securities in the organization as required under Regulation 9(1) read with Schedule B Clause (3) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company is in the process of receiving the disclosures from the designated persons as per the requirement under the Schedule B Clause (14) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

ANNEXURE B (Contd.)

- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 except to the extent as mentioned below:

1. The Company has granted Mr. Dineshkumar Musalekar, options equal to or exceeding 1% of the issued capital who is also president of Lumel SA and Lumel Alucast Sp. Z.o.o. Lumel SA and Lumel Alucast Sp. Z.o.o. being the material subsidiaries of the company. However, the company is yet to obtain approval of its shareholders by way of a separate resolution as required under Clause (c) & (d) of Regulation 6(3) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
2. The Company is yet to form or designate its Nomination and Remuneration Committee (NRC) as compensation committee as required under Regulation 5(2) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- i. The Company had filed certain e-forms with the Registrar of Companies, Mumbai with a delay.
- ii. The omnibus approval granted by the audit committee currently does not indicate the complete details as required by Rule 6A of Companies (Appointment and Qualification of Directors) Rules, 2014.
- iii. Due to cessation of Mr. Krishnan Ganesan there was change in the composition of Nomination and remuneration Committee. Mr. P. K. Ramakrishnan was inducted as member from 10th November 2023 as per the provisions of Section 178 of the Companies Act, 2013. During the period starting from 31st Oct 2023 to 9th Nov 2023 the committee had only two members. However, there was no NRC meeting held during this period.
- iv. The Independent directors meeting was held on 24th August 2023 and 29th February 2024 for financial year 2023-24 as required under section 149(8) read with Schedule IV of the Companies Act, 2013 but it was attended in the presence

- v. of company secretary, as informed to us the Company Secretary attended the meeting at the request of the independent Directors to assist the Independent Directors to conduct the meeting.
- v. The minutes of the board meeting has no specific reference for recording the declaration and confirmation submitted by the independent director pursuant to Section 149(7) of the Companies Act, 2013.
- vi. The Company has granted Mr. Dineshkumar Musalekar, options equal to or exceeding 1% of the issued capital who is also president of Lumel SA and Lumel Alucast Sp. Z.o.o. Lumel SA and Lumel Alucast Sp. Z.o.o. being the material subsidiaries of the company. However, the company is yet to obtain the approval of its shareholders by way of a separate resolution as required under Rule 12(4) of the Companies (Share Capital and Debentures) Rules, 2014.
- vii. The Company has allotted 25,792 equity shares under the ESOP Scheme 2016 to a Non-Resident Indian. However, as informed to us, the filing of FC-GPR and Form ESOP as per the provisions of FEMA is yet to be done for want of documents.
- viii. Compliance with the Secretarial Standards needs to be strengthened with respect to the procedural requirements such as Circulation of notice, agenda, and minutes and Disclosure of Directors' interest.
- ix. The boards report of the Company does not have specific reference to all the details as required under sections 134, 177(8), and 135(2) & (4) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, Rule 5(2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014.
- x. The explanatory statement to the notice of the AGM does not have specific reference to the altered Memorandum of Association and Articles of Association being available for inspection during the meeting as required under section 102(3) of the Companies Act, 2013 read with Secretarial Standard-2 of the ICSI.
- xi. The chairperson of the Nomination and Remuneration Committee (NRC) and Stakeholders Relationship Committee (SRC)



ANNEXURE B (Contd.)

did not attend the annual general meeting as required under section 178(7) of the Companies Act, 2013

- xii. The minutes of the NRC has no specific reference for approvals for the appointment of directors and senior management personnel as required under section 178(2) of the Companies Act, 2013 despite these matters being discussed at the meeting.
- xiii. The minutes of the ACM has no specific reference for recording approval for the appointment of a cost auditor as required under section 177(4)(i) of the Companies Act, 2013 although this was discussed at the meeting.

We further report that;

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.

During the year under review, there were following changes in the composition of the board of directors:

1. Re-appointment of Mr. Alipt Sharma (DIN: 03128439) and Mr. P. K. Ramakrishnan (DIN: 00304272) as directors, upon retirement by rotation at AGM held on 25th July 2023.
2. Cessation of Mr. Alipt Sharma (DIN: 03128439) as and Mr. Krishnan Ganesan (DIN: 07885495) as Nominee Directors (Nominee of SACEF Holdings II) w.e.f 30th October 2023. We have been informed that adequate notice is given to all directors to schedule the Board Meetings were sent at least seven days in advance except where the meeting was held at a shorter notice for which consent has been obtained orally or by e-mail and at least one independent director has attended such meeting. The agenda and detailed notes on the agenda were circulated separately followed by the notice.

A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions in the board meetings were carried through by the majority and it was informed to us while there were no dissenting views of the members and hence not captured and recorded as part of the minutes.

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 compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has taken the following actions or enter into events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- The Company had reclassified its authorized share capital pursuant to conversion of 36,06,110 Compulsory Convertible Preference Shares ("CCPS") at a face value of INR 30/- each to 1,08,18,330 Equity Shares at a face value of INR 10/- each by an ordinary resolution passed at the Annual General Meeting (AGM) of members held on 25th July, 2023. Consequently, it had altered the 5th Clause of the Memorandum of Association at the AGM.
- The Company converted 36,06,110 Compulsory Convertible Preference Shares ("CCPS") at a face value of INR 30/- each to 70,10,278 Equity Shares at a face value of INR 10/- each by a Special Resolution passed by the members at the AGM held on 25th July, 2023.
- The company has altered its Articles of Association by a Special Resolution passed by the members at the AGM held on 25th July 2023 in order to conform with the provisions of the Securities Exchange Board of India ("SEBI") for proposed Initial Public Offer ("IPO").
- Approval of excess remuneration paid to Mr. Narendra Goliya, Chairman and Managing Director, for the financial year 2022-23 by a special resolution passed by the members at Extra-Ordinary General Meeting held on 5th June 2023.

ANNEXURE B (Contd.)

- The Company has allotted Equity Shares towards employee stock Option Scheme during the year in the following manner:

Sr. No.	Date of Allotment	Number of Equity Shares allotted	Exercise Price (Amount in INR)	ESOP Scheme
1.	December 21, 2023	1,64,320	136.50/-	Rishabh Instruments Limited Employee Stock Option Scheme – 2016
2.	February 21, 2024	42,394	136.50/-	Rishabh Instruments Limited Employee Stock Option Scheme – 2016
3.	March 11, 2024	36,952	136.50/-	Rishabh Instruments Limited Employee Stock Option Scheme – 2016

- The Equity shares of the Company have been listed with the stock exchanges w.e.f September 11, 2023 through fresh Issue of 1,700,680 Equity Shares and an Offer for Sale of 9,428,178 Equity Shares at an offer price of INR 441/- which were allotted at the board meeting held on September 6, 2023.

**For KANJ & Co. LLP,
Company Secretaries,**

SD/-

Hrishikesh Wagh

Partner

FCS No.: 7993

C P No.: 9023

UDIN: F007993F000487010

Firm Unique Code: P2000MH005900

Peer Review Number: PR 1331/2021

Place: Pune

Date: May 29, 2024

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

**ANNEXURE B (Contd.)****ANNEXURE A**

To,

The Members of

Rishabh Instruments Limited

A-54, MIDC, Opp MIDC Bus Depot,
Andheri (East), Mumbai- 400093

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. 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, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For KANJ & Co. LLP,
Company Secretaries,**

SD/-

Hrishikesh Wagh

Partner

FCS No.: 7993

C P No.: 9023

UDIN: F007993F000487010

Peer Review Number: PR 1331/2021

Firm Unique Code: P2000MH005900

Place: Pune

Date: May 29, 2024

ANNEXURE C

A. Details of the Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for 2023-24 and the comparison of remuneration of each Key Managerial Personnel (KMP) on CTC basis per annum, against the performance of the Company are as follows:

Sr. No.	Name of Director / KMP & Designation	% increase (decrease) in Remuneration in 2023-24	Ratio of Remuneration of each Director to the Median remuneration of Employees	Comparison of the remuneration of the KMP against the performance of the Company
1.	Narendra Goliya, Chairman and Managing Director	0	31:1	The total income increased by 20.96% whereas profit after tax reduced by 19.65% during 2023-24.
2.	Dinesh Musalekar, Group CEO	0		
3.	Nitin Deshpande, Head - Marketing, Business Development and Profit Centre Head	10%		
4.	Ajinkya Joglekar, Company Secretary and Compliance Officer	8%		
5.	Vishal Kulkarni, Chief Financial Officer	20%		

- The median remuneration of employees of the Company during 2023-24 was INR 0.52 Million.
- In 2023-24, there was an increase of 3% in the median remuneration of the employees as compared to that of 2022-23.
- As on March 31, 2024 there were 130 permanent workmen who were on rolls of the Company.
- Relationship between average salary increase in remuneration & Company's performance: The Profit After Tax (PAT) for the financial year ended March 31, 2024 decreased by 19.65% whereas the median remuneration increased by 3%
- Comparison of remuneration of the Key Managerial Personnel(s) against the performance of the Company: The total remuneration of the Key Managerial Personnel(s) increased to 112.20% from INR 5.9 Million in 2022-23 to INR 12.52 Million in 2023-24, whereas Profit After Tax decreased by 19.65% from INR 496.86 Million in 2022-23 to INR 399.23 Million in 2023-24.
- The average percentage increase in salaries of employees excluding Key Managerial Personnel(s) was 11% over the previous year. The average increase in salaries of Key Managerial Personnel(s) was 12.6% for 2023-24. The increase in KMP remuneration were based on the recommendations of the 'Nominations & Remuneration Committee' as per the industry benchmark.
- All remuneration paid is as per the Remuneration Policy of the Company.



ANNEXURE C (Contd.)

B. Details of the employees who were employed throughout the financial year and received a remuneration of INR 10.02 Million or above per annum OR the employees who were employed for a part of the financial year and received remuneration of INR 0.85 Million p.m. under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Designation	Qualification	Age (Yrs.)	Joining Date	Experience (Yrs.)	Nature of Employment	*Total Remuneration (in INR Million)	Previous Employment	Relationship with any Director of the Company
Narendra Goliya	Chairman and Managing Director	BE (ELECTRICAL) + MS	73	Since Incorporation	50+	Permanent	16.40	N.A.	-
Dineshkumar Musalekar	Group CEO	BE (E&TC) + MBA (HR)	53	Since 2014	30+	Permanent	5.07	LUMEL, HALIMA, OTIS ELEVATOR CO INDIA LTD.	-

Pursuant to Rule 5(2)(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, Mr. Narendra Goliya, Promoter, Chairman and Managing Director of the Company holds 42.55% of the Equity Shares of the Company. Mr. Dineshkumar Musalekar does not hold any equity shares of the Company as on March 31, 2024.

Particulars of employees posted and working in a country outside India, not being directors or their relatives, drawing more than INR 1.02 Crores per annum or INR 8.5 Lakhs per month, as the case may be, as may be decided by the Board, shall not be circulated to the members in the Board's report, but such particulars shall be filed with the Registrar of Companies while filing the financial statement and Board Reports. **NIL**

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

Top ten employees in terms of remuneration drawn during 2023-24:

Name	Designation	Qualification	Age (Yrs.)	Joining Date	Experience (Yrs.)	Nature of Employment	Total Remuneration (in Million)	Previous Employment	Relationship with any Director of the Company
Narendra Goliya	Chairman and Managing Director	BE (ELECTRICAL) + MS	73	Since Incorporation	50+	Permanent	16.40	N.A.	-
Dineshkumar Musalekar	Group CEO	BE (E&TC) + MBA (HR)	53	Since 2014	30+	Permanent	5.08	Lumel, Halima, Otis Elevator Co. India Ltd.	-
Sandeep Sakhala	General Manager	BE Electrical	53	April 01, 2017	30+	Permanent	4.77	EPCOS, GTLLC, Shanti Electric Instruments	-

ANNEXURE C (Contd.)

Name	Designation	Qualification	Age (Yrs.)	Joining Date	Experience (Yrs.)	Nature of Employment	Total Remuneration (in Million)	Previous Employment	Relationship with any Director of the Company
Chetan Sukhwai	Assistant General Manager	BE Electrical	44	April 21, 2016	20+	Permanent	4.56	Veeral Controls, Lineage Power India (P) Ltd., C&B Electronics, Invendis Technologies India	-
Nitinkumar Deshpande	General Manager	BE (ELECTRICAL) + MBA (MARKETING)	45	July 08, 2018	21+	Permanent	4.49	Schneider, ABB, Siemens	-
Naval Toshniwal	General Manager	BE Elex and Telecommunication	47	May 09, 2010	24+	Permanent	3.72	Shivananda Eltrix, Chintaman Eletrix, Shivananda Electronics, Minda Valeo	-
Anand Laddha	Additional General Manager	CHARTERED ACCOUNTANT	46	September 01, 2014	20+	Permanent	3.55	Pratishthan Alloys Pvt Ltd, Aurangabad Electricals, Radico NV Distilleries ltd, Worldwide healthcare ltd	-
Arunava Bagchi	General Manager	IPL IN PER MGT & IND RELATIONS, DIPLOMA IN TOOL & DIE MAKING	56	December 04, 2006	33+		3.23	Legrand India Pvt. Ltd	
Amol Deshmukh	Additional General Manager	Diploma in Industrial Electronics	52	May 03, 1998	31+	Permanent	3.20	Laxtronics	-
Vinay Raina	Assistant General Manager	Bachelor of Electronics	52	September 04, 2017	24+	Permanent	3.06	Riken instrumentation ltd, Schneider Electric Infrastructure Ltd.	-



ANNEXURE D

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third provision thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/arrangements/transactions	(c) Duration of the contracts/arrangements/transactions	(d) Salient terms of the contracts or arrangements including the value, if any	(e) Justification for entering into such contracts or arrangements or transactions	(f) date(s) of approval by the Board	(g) Amount paid as advances, if any:	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

NIL

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

Sr. No.	(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/arrangements/transactions	(c) Duration of the contracts/arrangements/transactions	(d) Salient terms of the contracts or arrangements including the value, if any	(e) Date(s) of approval by the Board, if any	(f) Amount paid as advances, if any

Refer Note No. 41 of the Standalone Financial Statements of the Company for details relating to material contracts or arrangement or transactions at arm's length basis

FOR RISHABH INSTRUMENTS LIMITED

SD/-

NARENDRA J.GOLIYA

Chairman And Managing Director

DIN: 00315870

Address: 'RISHABH ENCLAVE'

Plot No. 5/6/7 S.n.42/2,

Anandwalli Nashik 422013

Place: Nashik

Date: August 09, 2024

ANNEXURE E

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company

The Company believes to integrate social and environmental concerns in their business operations and interactions with their stakeholders. The Company has always worked toward building trust with all its stakeholders based on the principles of good corporate governance, integrity, equity, transparency, fairness, disclosure, accountability and commitment to values. The Company will work towards leveraging its expertise for various social cause and encourage its employees for volunteering for CSR programme of the Company.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Narendra Johrimal Goliya	Chairman and Managing Director	1	1
2	Mr. Rathin Kumar Banerjee	Independent Director	1	1
3	Mr. Ramakrishnan Kottekode Parappath	Non Executive Director	1	1

3. Web-link for Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

<https://www.rishabh.co.in/>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable.

5. (a) Average net profit of the company as per section 135(5): 191.93 INR Million.
- (b) Two percent of average net profit of the company as per section 135(5) : 3.84 INR Million.
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (d) Amount required to be set off for the financial year, if any : Nil.
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: 3.84 INR Million.



ANNEXURE E (Contd.)

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
				State.	District.						Name	CSR Registration number.
-	-	-	-	-	-	-	-	-	-	-	-	-

Details of CSR amount spent against **other than ongoing projects** for the financial year: 8

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
				State.	District.			Name.	CSR registration number.
1.	Gharkul Parivar Sanstha	Special Education	Yes	Nashik		0.36	No	Gharkul Parivar Sanstha	CSR00000260
2.	Babasaheb Ambedkar Vaidyakiya Pratishthan	Promoting Health Care Including Preventive Health Care	Yes	Nashik		0.024	No	Dr.Babasaheb Ambedkar Vaidyakiya Pratishthan	CSR00000181
3.	Shree Mad Vijay Bhuvan Bhanu	Animal Welfare	Yes	Nashik		1	No	Shree Mad Vijay Bhuvan Bhanu	CSR00019285
4.	Ekkanya Trust	Special Education	No	Banglore		0.3	No	Ekakanya Trust	CSR00014692
5.	Vijan Hospital.	Promoting Health Care Including Preventive Health Care	Yes	Nashik		0.15	No	—	—
6.	Nashik Run Charitable Trust	Promoting welfare activities	Yes	Nashik		0.10	No	—	CSR00028665
7.	IIT Jodhapur	Education	No	Jodhpur		5	—	—	—
8.	Swami Vivekanand Society	—	Yes	Nashik		0.25	—	—	—
Total						7.18			

(b) Amount spent in Administrative overheads: Not Applicable

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

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: 7.18 INR Million.

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in INR Million)	Amount Unspent (in INR Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
7.18	-	-	-	-	-

ANNEXURE E (Contd.)

(f) Excess amount for set off, if any: 3.34 INR Million

Sl. No.	Particular	Amount (in INR Million)
(i)	Two percent of average net profit of the Company as per section 135(5)	3.84
(ii)	Total amount spent for the Financial Year	7.18
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3.34
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3.34

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in INR)	Amount spent in the reporting Financial Year (in INR)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in INR)
				Name of the Fund	Amount (in INR)	Date of transfer	
-	-	-	-	-	-	-	-

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

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
	[including complete address and location of the property]				CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):

Not Applicable

SD/-

Narendra Goliya

Chairman and Managing Director
DIN: 00315870

Place: Nashik

Date: May 29, 2024

SD/-

Rathin Banerjee

Committee Chairman
DIN: 02101072

Place: Mumbai

Date: May 29, 2024



ANNEXURE F

ESOP DETAILS AS ON MARCH 31, 2024

Particulars	Details		
	ESOP Scheme 2016	ESOP Plan 2022 Scheme A	ESOP Plan 2022 Scheme B
Options granted	Total options granted until date: 2,56,062 (Refer Note No. 1 below) Options granted during fiscal 2024: Nil Options granted during fiscal 2023: Nil Options granted during fiscal 2022: Nil Options granted during fiscal 2021: Nil Options granted during fiscal 2020: Nil	Total options granted until date: 7,44,000 Options granted during fiscal 2024: Nil Options granted during fiscal 2023: Nil Options granted during fiscal 2022: 7,44,000 Options granted during fiscal 2021: Nil Options granted during fiscal 2020: Nil	Total options granted until date: 1,68,000 Options granted during fiscal 2024: Nil Options granted during fiscal 2023: Nil Options granted during fiscal 2022: 1,68,000 Options granted during fiscal 2021: Nil Options granted during fiscal 2020: Nil
Pricing formula	Black-Scholes Method		
Exercise price of options	INR 136.50 (Refer Note No. 1 below)	INR 165	INR 250
Total number of options vested	2,56,062 (Refer Note No. 1 below)	1,86,000	16,800
Total number of options exercised	2,43,666	Nil	13,900
Total number of Equity Shares that would arise as a result of full exercise of options already granted	2,56,062	7,44,000	1,68,000
Options forfeited/lapsed/cancelled	12,396	N.A.	2,900
Variation in terms of options	N.A.	N.A.	N.A.
Options outstanding (in force)	N.A.	7,44,000	1,51,200
Person wise details of options granted to			
(i) Directors and key management employees	Please see Note 2 below	Mr. Dineshkumar Musalekar, Group CEO	Please see Note 2 below
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	N.A.	N.A.	Please see Note 2 below
(iii) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	N.A.	N.A.	N.A.
Fully diluted EPS on exercise of options calculated in accordance with the applicable Accounting Standards		12.76 (Please refer Note 4 below)	

ANNEXURE F (Contd.)

Particulars	Details		
	ESOP Scheme 2016	ESOP Plan 2022 Scheme A	ESOP Plan 2022 Scheme B
Difference between employee compensation cost using the fair value method and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company		Impact on EPS (basic): Nil Impact on EPS (diluted): Nil	
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price: INR 136.50		Weighted average exercise price: INR 250
	Weighted average fair value: INR 543.62	Weighted average fair value: INR 444.95	
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option		<p>Our Company has adopted Black Scholes method to estimate the fair value of the options with the following assumptions:</p> <ul style="list-style-type: none"> i. Risk free interest rate: 7.02%; ii. Expected life: Grant under ESOP 2022 Scheme A :2.75 years Grant under ESOP 2022 Scheme B - 3.25 years iii. Expected volatility: Grant under ESOP 2022 Scheme A and B: 38.36% iv. Expected dividends: Nil v. Price of underlying share in market at the time of Grant of option: Grant under ESOP 2022 Scheme A and B: INR 679 per share 	
Vesting schedule		Options are vested in four instalments based on performance of the employee.	
Lock-in		Nil	
Impact on liability for options outstanding of the last two years on fair value		Fiscal 2023-24: INR 206.98 Million Fiscal 2022-23: INR 79.85 Million	

Notes:

- Pursuant to the meeting of board of directors of the Company and Extra Ordinary General Meeting held on September 21, 2022, the Company had issued Bonus equity shares in the ratio of 1 (one) equity shares for every 1 (One) equity share of INR 10 each held in the Company resulting in the adjusted total number of options post Bonus issue of Equity shares to 256,062. Consequently, the exercise price has been changed to INR 136.58 per option.
- No new options were granted to Key Managerial Personnel (KMPs) of the Company during the periods mentioned hereabove. Details of their Granted options are as follows:



ANNEXURE F (Contd.)

Name of Key Managerial Personnel/members of Senior Management	Options outstanding before bonus issue	Adjusted no. of options, post Bonus issue of Equity shares (As per note 1 above)
Nitinkumar Sudhir Deshpande	1,943	3,886
Vishal Prabhakar Kulkarni	1,880	3,760

Name of Key Managerial Personnel/members of Senior Management	Options Granted under ESOP Scheme 2022 Scheme B
Nitinkumar Sudhir Deshpande	10,000
Vishal Prabhakar Kulkarni	7,000
Hemlata Bhavsar	5,000
Amol Deshmukh	7,000
Arunava Bagchi	8,000

Name of the Employee	Options Granted under ESOP Scheme 2022 Scheme B
Sandeep Sakhala	10,000
Naval Toshniwal	10,000
Ravi Deshmukh	10,000

REPORT ON CORPORATE GOVERNANCE

The Directors' Report on the Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is given below.

1. COMPANY'S PHILOSOPHY ON THE CORPORATE GOVERNANCE:

Corporate Governance encompasses a set of principles, processes, and systems that Directors, Management, and all employees of a company must adhere to in order to enhance shareholder value while considering the interests of all stakeholders. The core objectives of good corporate governance include integrity, transparency, and compliance with applicable laws in all interactions with the government, customers, suppliers, employees, and other stakeholders. This commitment drives the Company to establish standards that not only comply with relevant legislation but also exceed its requirements. Since our inception, corporate governance has been integral to our business practices. We believe that effective corporate governance arises from the application of the best management practices, strict compliance with laws and a steadfast commitment to the highest standards of transparency and business ethics. Your Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V of LODR 2015, as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS:

As on March 31, 2024, the Company has Six Directors, of the Six Directors, five are Non-Executive Directors out of which Four Directors are Independent Directors. The Board of Directors of the Company critically evaluate the Company's strategic direction, policies and their effectiveness. The actions of the Board are committed towards sustainably elevating the Company's value creation process. The Board of the Company strives to achieve higher standards and provide oversight and guidance to Management in strategy implementation, risk management and fulfilment of stated goals and objectives.

The Board has unrestricted access to all the Company-related information. The senior executives, who can provide additional insights and updates, are also invited to the meetings.

(i) Composition of Board

The Company's policy is to maintain optimum combination of Executive, Non-Executive and Independent Directors. The Board of Directors presently consists of six Directors as detailed hereunder indicating their status as independent or otherwise against their respective names:

Executive Director

Sr. No.	Name of the Director	Designation	Category
1.	Mr. Narendra Goliya	Chairman & Managing Director	Promoter

Non-Executive (Non-Independent) Director

Sr. No.	Name of the Director	Designation	Category
1.	Mr. P. K. Ramakrishnan	Non-Executive Director	Non-Independent, Professional

Non-Executive Independent Directors

Sr. No.	Name of the Director	Designation	Category
1.	Mr. Rathin Kumar Banerjee	Director	Independent Director
2.	Mr. Siddharth Bafna	Director	Independent Director
3.	Ms. Astha Kataria	Director	Independent Director
4.	Mr. Lukasz Meissner	Director	Independent Director

None of our directors are related to each other.

(ii) Independent Directors

The Company has received declarations as stipulated under Section 149(7) of the Companies Act, 2013 and as per the applicable clause(s) of LODR, 2015 from each Independent Director confirming that they are not disqualified from being appointed /continuing as Independent



REPORT ON CORPORATE GOVERNANCE (Contd.)

Director and fulfil the conditions specified under SEBI LODR Regulations and are thus independent of management. Your Company had also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 and LODR, 2015. The terms and conditions of the appointment of Independent Directors have been displayed on the website of the Company and can be accessed through the following link: <https://rishabh.co.in/>.

https://rishabh.co.in/uploads/Investor_Relations/Governance%20Policies.pdf

(iii) Board Meetings

During 2023-24, 9 (Nine) Board meetings were held, details are as under;

S. No.	Date of Meeting
1.	June 30, 2023
2.	July 24, 2023
3.	August 07, 2023
4.	August 22, 2023
5.	September 04, 2023
6.	September 06, 2023
7.	September 30, 2023
8.	November 10, 2023
9.	February 12, 2024

The maximum time gap between any two meetings did not exceed the prescribed period of one hundred twenty days.

(iv) Attendance of Directors, other Directorships and other details

Attendance of Directors at the Board Meetings, last Annual General Meeting and number of Directorships in Public Companies are given below:

Name of the Director	No of Board Meeting attended	Attendance at last AGM	No. of Directorships held in public companies (including this Company)	Name of the Companies	No. of Memberships (M)/ Chairpersonships (C) in board Committee(s) [including this Company]
Mr. Narendra Goliya	8	Yes	1	Rishabh Instruments Limited	4
Mr. P. K. Ramakrishnan	8	No	1	Rishabh Instruments Limited	4
Mr. Rathin Kumar Banerjee	9	No	1	Rishabh Instruments Limited	3
Mr. Siddharth Bafna	9	No	1	Rishabh Instruments Limited	2
Ms. Astha Kataria	7	No	1	Rishabh Instruments Limited	2
Mr. Lukasz Meissner	7	No	1	Rishabh Instruments Limited	1
Mr. Krishnan Ganesan	6	No	1	Rishabh Instruments Limited	1 (Cessation w.e.f. October 30, 2023)
Mr. Alipt Sharma	7	No	1	Rishabh Instruments Limited	2 (Cessation w.e.f. October 30, 2023)

As on March 31, 2024, none of the Directors on the Board is a Director in more than 20 companies (including not more than 10 Public Limited Companies) as specified in Section 165 of the Companies Act, 2013. None of the Independent Director serves as an Independent Director in more than 7 Listed Companies and Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in LODR, 2015) across all the public companies in which he/she is a director. None of the Directors are serving as a director in another listed entity.

None of the non- executive directors hold any shares or convertible instruments in the Company.

REPORT ON CORPORATE GOVERNANCE (Contd.)

(v) Conduct of Board Meetings:

The Board meets at least once in a calendar quarter, inter alia, to approve the quarterly financial results, the strategic business plan, review of business operations and the annual budget. The annual calendar of The Board Meetings are tentatively agreed upon at the beginning of each financial year. Additionally, the Board Meetings are convened to transact special business as and when necessary.

The agenda papers containing all relevant information are made available to the Board well in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Presentations are made to the Board by the Business and Functional Heads on operations as well as various aspects concerning the Company. The Directors also have independent access to the Senior Management at all times. The draft Minutes of the Meetings are circulated to the Directors for their comments and the final minutes are thereafter entered into the Minutes Book within 30 days of the conclusion of the respective Meetings.

There is also an effective post meeting follow-up, review and action taken reporting process for the action taken on decisions of the Board and Committees. The Minutes of the meetings of all the Committees and also the subsidiaries are placed before the Board for noting.

(vi) Familiarisation Programme for Board Members including Independent Directors

The Board members are provided with the requisite documents/brochures, reports and internal policies to enable them to familiarise with Company's business, procedures and practices.

Periodic presentations are also made at the Board and Committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. The Key Managerial Personnel / Senior Managerial Personnel through periodic presentations familiarise the Independent

Directors with the strategy, operations and functions of the Company and also appraise the Directors about their roles, rights and responsibilities in the Company to enable them to make effective contribution and discharge their functions as a Board Member.

The familiarisation programme for Independent Directors in terms of the provisions of LODR, 2015 is uploaded on the website of the Company and can be accessed through following link: <https://rishabh.co.in/>.

(vii) Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and as per applicable regulation of LODR, 2015, meetings of the Independent Directors of the Company were held on August 24, 2023 and February 29, 2024 without the presence of Non-Independent Directors and the management.

(viii) Evaluation of Board Effectiveness

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and as per applicable Clauses of LODR, 2015, the Board of Directors have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended March 31, 2024, as per the policy of the Company. The evaluation of the Directors was based on various aspects, inter-alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution. The Board comprises of the qualified members who bring in the required skill, competence and expertise that allows them to make effective contributions to the Board and its Committees. The members were appointed considering their skill, competence and expertise in the areas of Leadership, Finance, Business, Technology and Human Resources. Below is the table of specific areas of focus or expertise of individual Board members.



REPORT ON CORPORATE GOVERNANCE (Contd.)

Director Area of Expertise

Expertise	Mr. Narendra Goliya	Mr. Siddharth Bafna	Mr. Rathin Banerjee	Mr. Lukasaz Meissner	Mr. P. K. Ramakrishnan	Mrs. Astha Kataria
Corporate Governance	✓	✓	✓	✓	✓	✓
Sales	✓	-	-	-	-	-
Marketing	✓	-	-	-	-	-
Customer Services	✓	✓			-	
Technical Support	✓	-	-	-	-	
Administration	✓	-	-	-	-	
Technical Strategy	✓	-	-	-	-	✓
Technical Governance	✓	-	-	-	-	✓
Financial	-	✓	✓	✓	-	-
Treasury Management	-	✓			-	-
Taxation	-	✓			-	-
Compliance and Audit	-		✓	✓	-	-
Large Scale Global Operations	-		✓	✓	-	-
Mergers & Acquisitions	-	✓	✓	✓	✓	✓
Business Strategy and Planning	-	✓	✓	✓	-	✓
Global Business	✓	✓	✓	✓	✓	✓
Financial Management	✓	✓	✓	✓	✓	✓
Securities Market Expert	✓	✓	✓	✓	✓	✓
Securities Market Risk Management	-	-	-	-	-	✓
Human Resource	-	-	-	-	✓	✓

3. BOARD COMMITTEES

The Committees constituted by the Board plays a very important role in the governance structure of the Company. The composition and the terms of reference of these Committees are approved by the Board and are in line with the requirement of the Companies Act, 2013 and as per applicable Clauses of LODR, 2015. In the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management. None of the Independent Directors have resigned during the year under report.

During the financial year ended March 31, 2024, there were following 6(Six) Committees of the Directors viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders

Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee and IPO Committee.

(i) Audit Committee

Composition and Attendance:

The composition of the Audit Committee is in conformity with the provisions of Section 177 of the Companies Act, 2013 and as per applicable Clauses of LODR, 2015. 6 (Six) meetings of the Committee were held during the financial year ended March 31, 2024.

During the year under review, the Audit Committee met on April 17, 2023, June 30, 2023, July 24, 2023 September 30, 2023, November 10, 2023 and February 12, 2024.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Names of Members of the Audit Committee and their attendance at the Meetings are given below:

Name	Status	Number of Meetings Attended
Mr. Siddharth Bafna	Chairperson	6
Mr. Rathin Banerjee	Member	6
Mr. Lukasaz Meissner	Member	3
Mr. Narendra Goliya	Member	6

The Chief Financial Officer regularly attends the Audit Committee Meetings and the Company Secretary acts as the Secretary to the Audit Committee.

Terms of Reference:

The "Terms of Reference" of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and as per applicable Clauses of LODR, 2015.

Whistle Blower Policy – Vigil Mechanism

The Company has formulated a Whistle Blower Policy ("WBP") in accordance with the requirements of Section 177(9) of the Companies Act, 2013 read together with Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 22 of the LODR, 2015.

The WBP provides for establishment of Vigil Mechanism for directors, employees and stakeholders to report genuine concerns or grievances. It encourages all employees, directors and business partners to report any suspected violations promptly and intends to investigate any bonafide reports of violations.

It also specifies the procedures and reporting authority for reporting unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy or any other unethical or improper activity including financial irregularities, including fraud, or suspected fraud, wastage / misappropriation of Company's funds/assets etc.

The WBP also provides for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee, in exceptional cases.

(ii) Nomination and Remuneration Committee:

Composition and attendance:

The Nomination and Remuneration Committee consists of three Directors, two being Independent and one Non-Executive Director. During the financial year ended March 31, 2024, 01 (One) meeting of the Nomination and Remuneration Committee was held.

During the year under review, the Committee met on March 28, 2024.

Names of Members of the Committee and their attendance at the Meetings are given below:

Name	Status	Number of Meetings Attended
Mr. Rathin Banerjee	Chairperson	1
Mrs. Astha Kataria	Member	1
Mr. P. K. Ramakrishnan	Member	1

Terms of Reference:

The Terms of Reference of the Nomination and Remuneration Committee are in conformity with Section 178 of the Companies Act, 2013.



REPORT ON CORPORATE GOVERNANCE (Contd.)

Details of Remuneration paid to the Directors during the financial year ended March 31, 2024:

Particulars of sitting fee paid to the Non-Executive Directors during the financial year ended March 31, 2024 are as follows:

(a) Executive Directors

Sr. No.	Name of the Director	Gross salary (INR in Million)	Commission/ Incentive (INR in Million)	Contribution to PF (INR in Million)	Total. (INR in Million)	Notice period
1.	Mr. Narendra Goliya	16.28	Nil	Nil	16.28	N.A.

Name of the Director Sitting fees paid:

Sr. No.	Name of the Director	*Sitting fees paid (in Million)
1.	Mr. Rathin Kumar Banerjee	0.52
2.	Mr. Siddharth Bafna	0.45
3.	Mrs. Astha Kataria	0.32
4.	Mr. Lukasz Meissner	-
5.	Mr. P. K. Ramkrishnan	0.35

*Mentioned sitting fees is exclusive of goods and services tax.

There has been no material pecuniary relationship or transactions between the Company and Non-Executive Directors during 2023-24.

The Company has formulated a criteria for making payments to non-executive directors and the same has been uploaded on the website of the Company viz. <https://rishabh.co.in/>.

During the year under review, no convertible instruments have been issued to any of the Non-Executive Directors of the Company.

Performance evaluation criteria for independent directors

The performance evaluation of the Independent Directors is based on various aspects, inter-alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution. The Board comprises of the qualified members who bring in the required skill, competence and expertise that allows them to make effective contributions to the Board and its

Committees. The members were appointed considering their skill, competence and expertise in the areas of Leadership, Finance, Business, Technology and Human Resources.

Criteria of making payments to non-executive directors

In addition to the sitting fees, the Company acknowledges the overall engagement and contribution of the Non-Executive Directors to the Company's business. It is important to note that the Company does not provide any commission payments. Compensation for Non-Executive Directors is based solely on their handling of complexities, the time devoted to critical policy decisions, their level of engagement, and their contributions during meetings, while adhering to the principle of collective responsibility.

Stock Options granted to Directors

The Company has not granted Stock Options (ESOPs) to any Director during the Financial Year 2023-24.

(iii) Stakeholders Relationship Committee:

The Terms of Reference of the Stakeholders Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 and Clause 20 of the LODR, 2015.

The Stakeholders Relationship Committee consists of three Directors, of which one is Independent, one is Executive Director and one is Non-Executive. The Stakeholders Relationship Committee is headed by Mr. P. K. Ramkrishnan, Non-Executive Director of the Company.

During the year under review, the Committee met on February 20, 2024.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Names of Members of the Committee are given below:

Name	Status	No. of Meetings Attended
Mr. P. K. Ramakrishnan	Chairperson	1
Mr. Siddharth Bafna	Member	1
Mr. Narendra Goliya	Member	1

Pursuant to the LODR, 2015 and Listing Agreement with the Stock Exchanges, Mr. Ajinkya Joglekar has been appointed as the Compliance Officer who monitors the share transfer process and liaises with the Authorities such as SEBI, Stock Exchanges, and Registrar of Companies etc. The Company complies with the various requirements of the LODR, 2015 & Listing Agreement and depositories.

The Committee looks into the grievances of the Shareholders related to transfer of shares, payment of dividend and non-receipt of annual report and recommends measure for expeditious and effective investor service etc.

The Company has duly appointed KFin Technologies Limited as Share Transfer Agent (R&T Agent) for servicing the shareholders holding shares in dematerialised form. All requests for dematerialisation of shares if any are likewise processed and confirmations thereof are communicated to the investors within the prescribed time.

During the year under review, no Investor complaints were pending.

Number of shareholders' complaints received	Number not solved to the satisfaction of shareholders	Number of pending complaints.
3	0	Nil

(iv) Risk Management Committee: Terms of reference:

Composition:

The Risk Management Committee consists of three Directors, out of which one is Independent, one is Executive Director and One is Non-Executive Director. During the year under review,

02 (two) meetings of the Risk Management Committee were held.

During the year under review, the Committee met on February 20, 2024 and March 29, 2024.

Names of Members of the Committee and their attendance at the Meetings are given below:

Name Status Number of Meetings Attended

Sr. No	Name	Status	No. of Meetings Attended
1.	Mr. Narendra Goliya	Chairperson	2
2.	Mrs. Astha Kataria	Member	2
3.	Mr. P. K. Ramakrishnan	Member	2

The Terms of Reference of the Risk Management Committee are in conformity with regulation 21 of SEBI LODR Regulations.

(v) Corporate Social Responsibility Committee: Terms of Reference:

Composition:

The CSR Committee consists of three Directors, out of which one is Independent, one is Non-Executive Director and one is Executive Director.

During the year under review, CSR Committee met on March 28, 2024.

Names of Members of the Committee and their attendance at the Meetings are given below:

Sr. No. Name Status No. of Meetings Attended

Sr. No	Name	Status	No. of Meetings Attended
1.	Mr. Narendra Goliya	Chairperson	1
2.	Mr. P. K. Ramakrishnan	Member	1
3.	Mr. Rathin Banerjee	Member	1

Terms of Reference:

The Terms of Reference of the CSR Committee are in conformity with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.



REPORT ON CORPORATE GOVERNANCE (Contd.)

(vi) Senior Management:

The names and designations of the Senior Management Personnel are as follows:

Sr. No	Name	Designation
1.	Mrs. Hemlata Bhavsar	Head Human Resources
2.	Mr. Arunava Bagchi	General Manager and Profit Centre Head
3.	Mr. Amol Deshmukh	Head Research and Development

Since the close of the previous financial year, there were no changes in the Senior Management Personnel.

4. GENERAL BODY MEETINGS:

The details of last three Annual General Meetings are mentioned below:

Sr. No.	Date of AGM	Venue
1.	2022-23	A-54, MIDC, OPP MIDC BUS DEPOT, ANDHERI (EAST), MUMBAI, 400093
2.	2021-22	A-54, MIDC, OPP MIDC BUS DEPOT, ANDHERI (EAST), MUMBAI, 400093
3.	2020-21	A-54, MIDC, OPP MIDC BUS DEPOT, ANDHERI (EAST), MUMBAI, 400093

Sr. No.	Financial Year	Date	Day	Time	Number of Special resolution(s) Passed	Details of Special Resolutions passed
1.	2022-23	July 25, 2023	Tuesday	0900 Hours	3	<ol style="list-style-type: none"> 1. Reclassification of authorised share capital and consequent alteration of Memorandum of association. 2. Conversion of 3,606,110 Compulsorily Convertible Cumulative Preference Shares ("CCPS"). 3. Adoption of amended set of articles of association of the Company
2.	2021-22	September 21, 2022	Wednesday	1600 Hours	3	<ol style="list-style-type: none"> 1. Authorised Capital Increase and amendment in Capital Clause of MOA. 2. Issue of Bonus Shares. 3. Reclassification of Authorised Capital and consequent alteration of MOA.
3.	2020-21	November 29, 2021	Monday	1100 Hours	Nil	Not Applicable

During the year under review, no postal ballot notices were circulated

5. DISCLOSURES:

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large.

The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management or their relatives and its subsidiaries or that may have any potential conflict with the interests of the Company. Related Party transactions are disclosed in the notes to the Financial Statements.

(ii) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

NIL

REPORT ON CORPORATE GOVERNANCE (Contd.)

(iii) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

The Company has complied with all the mandatory requirements of LODR, 2015

(iv) Compliance with non-mandatory requirements (as on March 31, 2024)

The Company has adopted following non-mandatory requirements of LODR, 2015.

(v) Disclosure of commodity price risks and commodity hedging activities

Not Applicable.

(vi) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

Not Applicable.

(vii) Whether the Board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year

Not Applicable.

(viii) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

Refer the details below:

Sr. No.	Name of the Subsidiaries	Date of Incorporation	Place of Incorporation	Name of the Statutory Auditor	Date of Appointment of Statutory Auditors
1.	Lumel Alucast Sp. Z.o.o.	22.03.2011	Poland	FIDUCIA Spółka z ograniczona odpowiedzialnoscia	22.02.2024
2.	Lumel S.A.	09.03.2016	Poland	FIDUCIA Spółka z ograniczona odpowiedzialnoscia	22.02.2024

6. MEANS OF COMMUNICATION:

i)	Quarterly Results	The quarterly, half yearly and yearly financial results of the Company are regularly mailed /sent to the stock exchanges immediately after they are approved by the Board. They are also published in the Newspapers, in the prescribed format under the LODR.
ii)	Newspapers wherein results normally published	Free Press Journal and Navshakti
iii)	Any website, where displayed	https://rishabh.co.in/ .
iv)	Whether it also displays official news releases	The Company displays the Press Releases as and when released.
v)	The Presentations made to institutional investors or to the analysts	The Company holds Investor Presentations and meetings from time to time and Presentations made thereat are also sent to the Stock Exchanges as well as displayed on the website of the Company.
vi)	NSE Electronic Application Processing System (NEAPS)	The NEAPS is a web-based application designed by NSE for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.
vii)	BSE Corporate Compliance & Listing Centre (the 'Listing Centre')	BSE's Listing Centre is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.



REPORT ON CORPORATE GOVERNANCE (Contd.)

viii)	SEBI Complaint Redressal System (SCORES)	The investor complaints are processed in a centralised web-based complaint redressal system. The salient features of this system are: Centralised Database of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.
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7. GENERAL SHAREHOLDERS' INFORMATION

7.1 Annual General Meeting :	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated January 05, 2023 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.	
- Date and Time		
- Venue		
7.2 Financial Calendar 2024-25 (Tentative):	Annual General Meeting - (Next Year)	September 2025
	Financial Reporting	
	Results for quarter ending June 30, 2024	On or before August 14, 2024
	Results for quarter ending September 30, 2024	On or before November 14, 2024
	Results for quarter ending December 31, 2024	On or before February 14, 2025
	Results for year ending March 31, 2025 (Audited)	On or before May 30, 2025
7.3 Dividend Payment date:	Not Applicable	
7.4 Unclaimed Shares:	None	

There are 'Nil' Share Certificates lying unclaimed with the Company as on date of this Report. In the event of unclaimed Share Certificate, the Company hereby undertakes to comply with the relevant regulations of LODR, 2015.

7.5 (a) Listing of Equity Shares on Stock Exchanges	National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G - Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
The Company confirms that it has paid annual listing fees due to both the above stock exchanges.		
(b) Listing of ADRs/GDRs on Stock Exchange	Not Applicable	
(c) Debenture Trustee:	Not Applicable	
7.6 Stock Code (Equity Shares)	Trading Symbol - BSE Limited: 543977 Trading Symbol - National Stock Exchange of India : RISHABH	
International Securities Identification Number (ISIN)		
Equity Shares :	INEON2P01017	
Correspondence Address:	F-31, MIDC, Satpur, Nashik, 422007 Maharashtra.	

REPORT ON CORPORATE GOVERNANCE (Contd.)

7.7 Stock Market Price Data	National Stock Exchange of India Ltd. (NSE)		BSE Limited (BSE)	
	Month's High Price (In ₹)	Month's Low Price (In ₹)	Month's High Price (In ₹)	Month's Low Price (In ₹)
April, 2023	N.A.	N.A.	N.A.	N.A.
May, 2023	N.A.	N.A.	N.A.	N.A.
June, 2023	N.A.	N.A.	N.A.	N.A.
July, 2023	N.A.	N.A.	N.A.	N.A.
August, 2023	N.A.	N.A.	N.A.	N.A.
September, 2023	518.00	432.35	517.90	438.00
October, 2023	555.00	442.15	554.95	442.70
November, 2023	545.50	465.85	545.00	466.65
December, 2023	615.00	492.30	614.00	492.85
January, 2024	616.65	560.05	616.15	560.15
February, 2024	635.40	482.55	635.00	482.75
March, 2024	539.90	402.20	520.00	403.05

7.8 Registrar & Transfer Agents:

7.9 Share Transfer System:

Share transfer requests for shares in physical form, if any, are registered within 10 – 15 days. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through the respective Depository Participants.

7.10 Distribution of shareholding as at March 31, 2024:

Stock Market Price Data	By size of shareholding Shareholders		Equity shares held	
	Nominal Value(₹)	Number	Percentage (%)	Number
1 - 5,000	35,339	99.61	35,31,378	9.25
5,001 - 10,000	73	0.21	5,39,538	1.41
10,001 - 20,000	24	0.07	3,58,856	0.94
20,001 - 30,000	13	0.04	3,27,103	0.86
30,001 - 40,000	7	0.02	2,65,004	0.69
40,001 - 50,000	5	0.01	2,29,972	0.60
50,001 - 1,00,000	3	0.01	2,23,309	0.59
1,00,001 & Above	14	0.04	3,26,92,912	85.66
TOTAL	35,478	100	3,81,68,072	100

By category of shareholders	Equity Shares held	
	Number of Shares	Percentage (%)
ALTERNATIVE INVESTMENT FUND	1,25,100	0.33
CLEARING MEMBERS	412	0.00
EMPLOYEES	1,55,245	0.41
FOREIGN PORTFOLIO - CORP	1,16,369	0.30
H U F	3,45,655	0.91
BODIES CORPORATES	8,97,094	2.35
MUTUAL FUNDS	50,28,875	13.18
NON RESIDENT INDIANS	52,932	0.14
NON RESIDENT INDIAN NON REPATRIABLE	85,897	0.23
PROMOTER GROUP	1,05,50,402	27.64
PROMOTERS	1,62,62,098	42.61
RESIDENT INDIVIDUALS	41,60,712	10.90
QUALIFIED INSTITUTIONAL BUYER	3,87,281	1.01
Total	3,81,68,072	100



REPORT ON CORPORATE GOVERNANCE (Contd.)

7.11	Dematerialisation of shares and liquidity	<p>The Shares of the Company are permitted for trading in dematerialised form only. The Company's shares are available for trading in depository system of both NSDL and CDSL. This includes dematerialization of 100% of the Promoter and Promoter Group's holding in the Company. The ISIN of the Company is INEON2P01017. The Shares of the Company are listed and traded at the BSE Limited and National Stock Exchange of India Limited.</p> <p>Break-up of Demat shareholding as on March 31, 2024:</p> <table border="1" data-bbox="643 616 1447 869"> <thead> <tr> <th>Category</th> <th>Shareholding as on March 31, 2024</th> <th>% as to total no. of Shares</th> </tr> </thead> <tbody> <tr> <td>Shares in Demat Mode with NSDL</td> <td>3,49,30,908</td> <td>91.52%</td> </tr> <tr> <td>Shares in Demat Mode with CDSL</td> <td>32,37,164</td> <td>8.48%</td> </tr> <tr> <td>Total</td> <td>3,81,68,072</td> <td>100%</td> </tr> </tbody> </table>	Category	Shareholding as on March 31, 2024	% as to total no. of Shares	Shares in Demat Mode with NSDL	3,49,30,908	91.52%	Shares in Demat Mode with CDSL	32,37,164	8.48%	Total	3,81,68,072	100%
Category	Shareholding as on March 31, 2024	% as to total no. of Shares												
Shares in Demat Mode with NSDL	3,49,30,908	91.52%												
Shares in Demat Mode with CDSL	32,37,164	8.48%												
Total	3,81,68,072	100%												
7.12	Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion dates and likely impact on equity.	Nil												
7.13	Plant locations	<ol style="list-style-type: none"> F-31, MIDC, Satpur, Nashik, 422007. Maharashtra C-6, Trishala, NICE Sankul, MIDC, Satpur, Nashik, 422005 												
7.14	Investor Correspondence: For transfer / dematerialisation of shares, payment of dividend on shares, query on Annual Report and any other query on the shares of the Company.	Mr. Ajinkya Joglekar, Company Secretary and Compliance Officer, cs@rishabh.co.in.												
Shareholders holding shares in electronic mode should address all their correspondence relating to change of address, bank mandate and status to their respective Depository Participants (DPs).														
7.15	Performance in comparison to broad-based indices:	As mentioned in Point No. 7.7.												
7.16	In case the securities are suspended from trading, the directors report shall explain there as on thereof	Not Applicable												
7.17	Commodity price risk or foreign exchange risk and hedging activities;	Not Applicable												
7.18	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.	Not Applicable												

REPORT ON CORPORATE GOVERNANCE (Contd.)

Important Communication to Members:

Members must be aware that Ministry of Corporate Affairs (MCA) has started a "Green Initiative in the Corporate Governance", whereby it has allowed paperless compliances by the Companies in the field of servicing of notice / documents, including Annual Report through emails. Further, in compliance with Ministry of Corporate Affairs ("MCA") has vide its circular dated May 05, 2020 read with circulars dated April 08, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Therefore, Members who have not yet registered their email addresses are requested once again to register their email addresses in respect of their shareholding in electronic mode with the Depository Participants, including any change in their email id.

8. OTHER INFORMATION

(a) Risk Management Framework:

The Company has an appropriate place mechanism to inform the Board members about the risk assessment and minimisation procedures and periodical reviews to ensure that risk is controlled by the executive management through the means of a properly defined framework. The Risk Register is presented before the Members of Audit Committee, every quarter.

(b) CEO and CFO Certification

The Managing Director & CEO and Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of LODR, 2015. They also give quarterly certification on financial results while placing the financial results before the Board in terms of LODR, 2015.

(c) Code of Conduct

The Company has laid down a code of conduct for all Board members and Senior Management personnel of the Company. The code of conduct is available on the website of the Company.

The declaration of the Chairman and Managing Director is part of this report.

9. OTHER MANDATORY DISCLOSURES AS PER LODR AMENDMENT REGULATIONS: -

a. Certificate from Practicing Company Secretary

The Company has obtained a certificate from a KANJ & CO., LL.P, Company Secretaries in practice as required under Listing regulations, confirming that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

b. Details of total fees paid to statutory Auditors.

The details of the total fees (excluding GST) for all the services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

	Year ended March 31, 2024 (INR in Million)	Year ended March 31, 2023(INR in Million)
As auditor:		
Audit fees	1.5	1.2
Limited review	0.8	N.A.
In other capacity:		
Others (including certification fees)	1.36	1.08
Reimbursement of expenses	0.13	0.43
Total	3.79	2.71

c. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The details of the complaints filed, disposed of and pending during the financial year pertaining to sexual harassment is provided in the Directors' Report of this Annual report

d. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': Nil



REPORT ON CORPORATE GOVERNANCE (Contd.)

GENERAL DISCLOSURES

- a. A summary of transactions with related parties in the ordinary course of business is periodically placed before the Audit Committee.
- b. The mandatory disclosure of transactions with related parties in compliance with the applicable Accounting Standards are a part of this Annual Report.
- c. The Policy on Related Party Transactions and for determining Material Subsidiaries is disclosed and available in web link of the Company i.e. <https://rishabh.co.in/>.
- d. While preparing the annual accounts in respect of the financial year ended March 31, 2024, no accounting treatment was different from that prescribed in the Accounting Standards;
- e. The Company does not have a material non-listed Indian subsidiary as defined under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Company has unlisted subsidiary companies abroad. The minutes of the Board meetings of the subsidiary companies are placed at the Board meetings of the Company. Details of significant transactions and arrangements entered into by the subsidiary companies are noted by the Board. The Audit Committee of the Company reviews the financial statements of the subsidiary companies, including investments made by such subsidiaries.
- f. The Company has a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and a Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- g. There had no instances of non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above.
- h. The Company has proactively embraced the discretionary requirements outlined in Part E of Schedule II to the fullest extent possible.
- i. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 is applicable to the Company and the Company has complied with the said Regulations wherever applicable.
- Mr. Ajinkya Joglekar, Company Secretary, has been appointed as the Compliance Officer for the purpose of this Code.
- j. Compliance with Non- Mandatory Provisions:
1. The Chairman of the Board is an executive director.
 2. Your Company publishes financial results in two newspapers of wide circulation. Further, the financial results are available on the website of your Company and of the stock exchanges where the shares of your Company are listed, i.e., BSE Limited and National Stock Exchange of India Limited. Therefore, no individual intimations are sent to the shareholders.
 3. The Auditors' Opinion on the Financial Statements is unmodified.
- k. Statement of deviation/ variation in utilization of IPO proceeds
- There is no deviation from the stated objects in the Prospectus of the Company pursuant to Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as on March 31, 2024.
- l. Disclosures with respect to demat suspense account/ unclaimed suspense account
- Not Applicable.
- m. Disclosure of certain types of agreements binding listed entities as per Schedule III Part A Paragraph 5A
- Not Applicable.



REPORT ON CORPORATE GOVERNANCE (Contd.)

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website. I confirm that the Company has in respect of the year ended March 31, 2024, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them. For the purpose of this declaration, Senior Management Team means the Chief Financial Officer and the Company Secretary as on March 31, 2024.

SD/-

Narendra Goliya

Chairman & Managing Director

DIN: 00315870



REPORT ON CORPORATE GOVERNANCE (Contd.)

Certificate on Compliance with the conditions of Corporate Governance as per SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

Members,

Rishabh Instruments Limited,

A-54, MIDC, Opp MIDC Bus Depot,

Andheri (East), Mumbai-400093

We have examined all the relevant records of Corporate Governance of Rishabh Instruments Limited (the Company) for the year ended March 31, 2024, for the purpose of certifying compliance of the conditions of Corporate Governance as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 34 (3) read with regulations 17 to 27, Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations for the period September 11, 2023 (Date of Listing) to March 31, 2024.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. The certificate is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to explanations given to us and based on the representations made by the Directors, Company Secretary and the Management, we certify that the Company has complied with the provisions of Corporate Governance specified in Regulation 17 to 27, Clauses (b) to (i) of Sub Regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations, as applicable, except for the following;

1. The Company has a practice of presenting the budgets in the first meeting of the Board in every FY as required under Regulation 17(7) read with Part A Clause (A) & (B) of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, post listing of the Company this requirement has been overlooked.
2. The Audit Committee of the Company has not yet reviewed the adequacy of internal audit function, 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 as required under regulation 18(3) read with Part C Para A clause (13) of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Audit Committee of the Company has not yet discussed with internal auditors of any significant findings and follow up there on at its meetings as required under regulation 18(3) read with Part C Para A clause (13) of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. Due to cessation of Mr. Krishnan Ganesan there was change in the composition of NRC and Mr. Ramakrishnan was inducted as member from 10th November 2023 to meet the requirement under regulation 19(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the period starting from October 31, 2023 to November 09, 2023 the committee had two members only. However, there was no NRC meeting held during this period.

REPORT ON CORPORATE GOVERNANCE (Contd.)

5. The determination of material modifications has not been recorded in the meeting minutes, nor is it specifically disclosed in the related party transaction policy as required under regulation 23(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. The omnibus approval by the Audit Committee currently does not specify the indicative base price, current contracted price, or the formula for potential price variations, but we are committed to addressing these elements in future approvals as per regulation 23(3)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
7. There were some minutes of the meetings of unlisted subsidiaries that were placed before the board at its meeting. However, the minutes of the board meetings of the subsidiary company for two quarters were not placed at the board meeting of the Company as required under regulation 24(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8. The Independent directors meeting was held on August 24, 2023 and February 29, 2024 for 2023-24 as required under regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 but it was attended in presence of company secretary. The attendance of the Company Secretary was required to assist the Independent Directors to understand the agendas and take note of the inputs received from the IDs.
9. Post listing the minutes of the board meeting has not recorded the declaration and confirmation submitted by the independent director pursuant to Regulation 25(8) as required under regulation 25(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
10. Post listing the minutes of the board meeting has not recorded the declaration, confirmation and disclosures submitted pursuant to Regulation 26(2), (3) & (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further 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 and this Certificate is issued solely for the purpose of complying with the aforesaid LODR and may not be suitable for any other purpose.

For KANJ & CO LLP,
Company Secretaries

SD/-
Hrishikesh Wagh

Partner

FCS No.: 7993

C P No.: 9023

UDIN: F007993F000486999

Firm Unique Code: P2000MH005900

Peer Review Number: PR 1331/2021

Place: Pune

Date: May 29, 2024



REPORT ON CORPORATE GOVERNANCE (Contd.)

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
Rishabh Instruments Limited
A-54, MIDC, Opp MIDC Bus Depot,
Andheri (East), Mumbai- 400093

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Rishabh Instruments Limited having CIN L31100MH1982PLC028406 and having registered office at A-54, MIDC, Opp MIDC Bus Depot, Andheri (East), Mumbai- 400093 (hereinafter referred to as 'the Company' or 'RIL'), 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 and 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 March 31, 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 (MCA), or any such other Statutory Authority.

Following is a list of directors as on March 31, 2024:

Sr No	Name of Director	DIN	Date of appointment in RIL
1.	Mr. Ramakrishnan Kottekode Parappath	00304272	April 17, 2009
2.	Mr. Rathin Kumar Banerjee	02101072	September 17, 2015
3.	Mr. Narendra Johrimal Goliya	00315870	October 06, 1982
4.	Mr. Siddharth Nandkishore Bafna	00689925	August 23, 2022
5.	Mrs. Astha Ashish Kataria	01813262	August 08, 2022
6.	Mr. Lukasz Jan Meissner	09740048	September 23, 2022

Ensuring the eligibility of 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 KANJ & Co. LLP,
Company Secretaries

SD/-
Hrishikesh Wagh

Partner

FCS No.: 7993

C P No.: 9023

UDIN: F007993F000486944

Firm Unique Code: P2000MH005900

Peer Review Number: PR 1331/2021

Place: Pune
Date: May 29, 2024

REPORT ON CORPORATE GOVERNANCE (Contd.)

COMPLIANCE CERTIFICATE: CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

- A. We have reviewed financial statements and the cash flow statement for the period April 01, 2023 to March 31, 2024 and that to the best of our knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period April 01, 2023 to March 31, 2024 which is 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 and we disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- 1) significant changes in internal control over financial reporting during the period April 01, 2023 to March 31, 2024;
 - 2) significant changes in accounting policies during the period April 01, 2023 to March 31, 2024 and that the same have been disclosed in the notes to the financial statements; and
 - 3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

SD/-

Dineshkumar Musalekar
Group CEO

Place: Nashik
Date: May 29, 2024

SD/-

Vishal Kulkarni
Chief Financial Officer



REPORT ON CORPORATE GOVERNANCE (Contd.)

RISK MANAGEMENT

OBJECTIVE

The Company believes in enabling long term sustainable growth by creating a robust risk management framework involving identification, evaluation, management, and reporting of risks by partnering with businesses and its associate functions. The objective of this risk management policy (this "Policy") is to address risks in a proactive manner to sustain business growth.

The Risk Management policy will outline broadly the framework within which the Company will operate to minimise the risk arising from adverse movements in economy including fluctuation in Foreign Exchange rate, Interest rate, Supply Chain, customer demand, price of raw material & availability and Labour and reputational risk etc. The Risk Management process of the Company will hence manage the uncertainty and volatility of the value of the Company in accordance with the Policy, which will be a set of appropriately determined corporate and financial Objectives.

SCOPE OF THE POLICY

This Policy shall be applicable to the Rishabh Instruments Limited and Group, including its subsidiaries (present and future), acquired entities and to all processes or functions in such entities

PHILOSOPHY & APPROACH FOR RISK MANAGEMENT PROCESS

The risk management philosophy of the Company is built based on its vision and goal of the organisation. The Company has adopted an integrated approach for risk management wherein it ensures all material risks are identified, monitored, mitigated and reported in real time. The Risk Management Committee shall be reviewing periodically all existing risk and future threatened risk with adequate plan to mitigate and quarterly report to the Board.

The Internal control system is well designed to cope up the challenges or escalate it to the higher in leadership role

For each process of Risk Management there may be sub-committee under the Risk Management Committee and sub policies may be adopted by the sub-committee for managing financial risk, operational risk, hedging risk, foreign exchange risk, cyber risk etc.

RISK MANAGEMENT FRAMEWORK

We believe that risk management is not the function of only top management and to be practiced confidentially.

The Company has adequate flow of communication at the real time between the functional heads and the Managing Director/Board of Directors to ensure risk is managed with the solution. The Framework covers the following

- (a) Risk awareness;
- (b) Risk Identification;
- (c) Risk communication;
- (d) Risk responsibility;
- (e) Risk measurement and analysis; and
- (f) Risk implementation and integration.



REPORT ON CORPORATE GOVERNANCE (Contd.)

GOVERNANCE

The Risk Management framework shall provide for comprehensive governance detailing the policies, process, system, structure, participants, committees, their terms of reference, roles and responsibilities, periodicity of meetings with agendas and to discussed in these meetings for relevance of all kind of risks.

DISCLAIMER CLAUSE

The risks outlined above are not exhaustive and are for information purposes only. Management is not an expert in assessment of risk factors, risk mitigation measures and management's perception of risks. Readers are therefore requested to exercise their own judgment in assessing various risks associated with the Company.

ASSESSMENT OF EFFECTIVENESS

The Audit Committee or Risk Management Committee of the Company, as may be applicable and formed by Board, is responsible for reviewing and analysing the effectiveness of the risk management framework and the risk management systems and shall report the same to the Board.

REGULATORY REQUIREMENTS

As per SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, every listed company is required to define Risk Management Policy covering the framework for management of key business risks. The Board of Directors, the Audit Committee and the Risk Management Committee is responsible to ensure that the Company has a robust Risk management framework and monitor its effectiveness on periodic basis. (detailed text of regulatory requirement is given in the Annexure 1)

ANNEXURES

Annexure 1-- Regulatory Requirements under SEBI LODR and the Companies Act 2013

Annexure 2 -- Terms of Reference of the Risk management Committee



REPORT ON CORPORATE GOVERNANCE (Contd.)

ANNEXURE 1

SEBI LODR REGULATIONS 2015

1. The Board of directors of the listed entity shall have the following responsibilities with respect to risk management:
 - a. Review the Risk Policy [Regulation 4 (2) (f) (ii) (1)]
 - b. Ensure integrity of the Risk Management systems [Regulation 4 (2) (f) (ii) (7)]
 - c. The Board of directors shall ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognised or exposes the listed entity to excessive risk. [Regulation 4 (2) (f) (iii) (9)]
2. The listed entity shall lay down procedures to inform members of Board of directors about risk assessment and minimisation procedures. [Regulation 17 (9) (a)]
3. The Board of directors shall be responsible for framing, implementing, and monitoring the risk management plan for the listed entity. [Regulation 17 (9) (b)]
4. Risk Management Committee [Regulation 21]
 - a. The Risk Management Committee should have minimum three members with majority of them being members of the board of directors, including at least one independent director.
 - b. The Chairperson of the Risk Management Committee shall be a member of the board of directors and senior executives of the listed entity may be members of the Committee;
 - c. The Risk Management Committee shall meet at least twice in a year;
 - d. As provided under Part D of Schedule II, the responsibilities of Risk Management Committee include formulating of risk management policy, oversee implementation of the same, monitor and evaluate risks basis appropriate methodology, processes and systems and appointment, removal and terms of remuneration of Chief Risk Officer.
 - e. The meetings of the risk management committee shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings;
 - f. The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
 - g. The Risk Management Policy shall include framework for identification of financial, operational, sectoral, sustainability (particularly, ESG related risks), information and cyber security risks, measures for risk mitigation including systems and processes for internal control and Business Continuity Plan.

THE COMPANIES ACT 2013

1. Report by its Board of Directors, which shall include a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company. [Section 134 (3) (n)]
2. Independent directors should satisfy themselves that the systems of risk management are robust and defensible. [Schedule IV]
3. The audit committee shall act in accordance with the terms of reference specified in writing by the board, which shall, inter alia, include evaluation of risk management systems. [Section 177 (4) (vi)].

REPORT ON CORPORATE GOVERNANCE (Contd.)

ANNEXURE 2 -TERMS OF REFERENCE OF THE RISK MANAGEMENT COMMITTEE

1. Formulation of a detailed risk management policy which shall include:a. a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, Foreign Exchange, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; b.measures for risk mitigation including systems and processes for internal control of identified risks; and
2. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. Keep the Board of directors of the Company informed about the nature and content of its discussions, recommendations and actions to be taken;
6. Review of the appointment, removal, and terms of remuneration of the Chief Risk Officer (if any).
7. Coordinate its activities with other committees, in instances where there is any overlap with activities as per the framework laid down by the board of directors.
8. Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under the applicable law, as and when amended from time to time.

BUSINESS
RESPONSIBILITY
& SUSTAINABILITY
REPORT
2024



SECTION **A** GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1	Corporate Identity Number (CIN) of the listed entity	L31100MH1982PLC028406
2	Name of the listed entity	Rishabh Instruments Limited
3	Year of incorporation	1982
4	Registered office address	A-54, MIDC, Opp MIDC Bus Depot, Andheri (East), Mumbai City, Mumbai - 400 093, Maharashtra, India
5	Corporate address	F-31, MIDC Satpur, Nasik - 422 007, Maharashtra, India
6	E-mail	cs@rishabh.co.in
7	Telephone	02532202183
8	Website	https://rishabh.co.in/
9	Financial year for which reporting is being done	2023-24
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited; National Stock Exchange of India Limited
11	Paid-up Capital (in INR Million)	382.05
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ajinkya Joglekar (Telephone: 02532202183; E-mail: cs@rishabh.co.in)
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis

II. PRODUCTS/SERVICES

14. Details of business activities (accounting for 90% of the turnover):

Description of Main Activity	Description of Business Activity	% of turnover of the entity
Manufacturing	Computer, electronics, communication and scientific measuring & control equipment	100



15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

Product/Service	NIC Code	% of Total Turnover Contributed
Manufacture of other electrical equipment	27900	100

III. OPERATIONS

16. Number of locations where plants and/or operations/offices of the entity are situated:

NATIONAL

NUMBER OF PLANTS	2
NUMBER OF OFFICES	8
TOTAL	10

INTERNATIONAL

NUMBER OF PLANTS	0
NUMBER OF OFFICES	0
TOTAL	0

17. Markets served by the entity:

a. Number of locations

NATIONAL (NO. OF STATES)	7
INTERNATIONAL (NO. OF COUNTRIES)	0

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b. What is the contribution of exports as a percentage of the total turnover of the entity?

49%

c. A brief on types of customers

Manufacturers and traders of electrical Instruments

IV. EMPLOYEES

18. Details as at the end of Financial Year 2023-24:



a. Employees and workers - including differently abled (Financial Year 2023-24):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	366	330	90.16	36	9.84
2.	Other than permanent (E)	22	18	81.82	4	18.18
3.	Total Employees (D + E)	388	348	89.69	40	10.31
WORKERS						
4.	Permanent (F)	130	33	25.38	97	74.62
5.	Other than permanent (G)	114	0	-	114.00	100.00
6.	Total Workers (F + G)	244	33	13.52	211.00	86.48

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)	0	0	0	0	0
2.	Other than permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	0	0	0	0	0

19. Participation/Inclusion/representation of women

	Total (A)	No. and % of Females	
		No. (B)	% (B/A)
 Board of Directors	6	1	16.67%
 Key Management Personnel	4	0	0.00%



20. Turnover rate for permanent employees & workers (Disclose trends for the past 3 years)

Persons leaving the employment of the entity shall include those who leave the entity voluntarily or due to dismissal, termination, retirement or death in service.	2023-24 (Turnover rate in current FY)					
	No. of persons who have left the employment of the entity in the 2023-24			Average no. of persons employed in the category		
	Male	Female	Total	Male	Female	Total
Permanent employees	56	7	63	4.5	0	4.5
Permanent workers	1	2	3	0	0.5	0.5

	2022-23 (Turnover rate in previous FY)					
	No. of persons who have left the employment of the entity in the 2022-23			Average no. of persons employed in the category		
	Male	Female	Total	Male	Female	Total
Permanent employees	38	1	39	4	0.5	4.5
Permanent workers	0	1	1	0	0	0

	2021-22 (Turnover rate in the year prior to the previous 2021-22)					
	No. of persons who have left the employment of the entity in the 2021-22			Average no. of persons employed in the category		
	Male	Female	Total	Male	Female	Total
Permanent employees	47	3	50	3	0.5	3.5
Permanent workers	0	0	0	0	0	0

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

21. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/subsidiary/associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the business responsibility initiatives of the listed entity? (Yes/No)
1	EnergySolution Labs Private Limited	Subsidiary	99.58	No
2	Dhruv Enterprises Limited	Subsidiary	100	No
3	Sifam Tinsley Instrumentation Inc. US	Subsidiary	100	No
4	Sifam Tinsley Instrumentation Limited UK	Subsidiary of Dhruv Enterprises Limited	50.10	No
5	Lumel Alucast Sp. z.o.o	Subsidiary of Dhruv Enterprises Limited	100	No
6	Lumel S.A., Poland	Subsidiary of Dhruv Enterprises Limited	100	No
7	Shanghai VA Instruments Co. Limited China	Subsidiary	99.94	No

VI. CSR DETAILS

22.

(i) Whether CSR is applicable as per Section 135 of Companies Act, 2013 (Yes/No): **Yes**

(ii) Turnover (in INR Million): **INR 1,959.80/-**

(iii) Net worth (in INR Million): **INR 2,432.35/-**








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VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	2023-24 Current Financial Year			2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
 Communities	No	0	0	Nil	0	0	Nil
 Investors (other than shareholders)	No	0	0	Nil	0	0	Nil
 Shareholders	Yes	3	0	Issues relating to ASBA facilities and unblocking of funds	0	0	Nil
 Employees and workers	Yes	3	3	Routine issues such as infrastructural changes were raised and resolved	7	7	Routine issues such as housekeeping and canteen were raised and resolved
 Customers	Yes, through the sales team available in each region	0	0	Nil	0	0	Nil
 Value chain partners	No	0	0	Nil	0	0	Nil
 Other (please specify)	No	0	0	Nil	0	0	Nil

24. Overview of the entity’s material responsible business conduct issues

Material issue identified	Indicate whether risk or opportunity (R/O)	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)
NIL	NIL	NIL	NIL	NIL

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	P1	P2	P3	P4	P5	P6	P7	P8	P9
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				
b. Has the policy been approved by the Board? (Yes/No)					YES				
c. Web link of the policies, if available	The Corporate policies of the Company can be viewed at the weblink: https://rishabh.co.in/								
2. Whether the entity has translated the policy into procedures. (Yes/No)					YES				
3. Do the enlisted policies extend to your value chain partners? (Yes/No)					NO				
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Rishabh instruments, including its subsidiaries, supports, adopts and complies with multiple domestic and international standards, as relevant. Some key certifications are listed below: <ol style="list-style-type: none"> 1. ISO 9001:2015 2. ISO 14001:2015 3. IATF 16949:2015 4. NABL Accreditation 5. CE, ROHS, and UKCA, among others 								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	We don't have mandated targets, commitments, or evaluation process for all policies. We have procedures in place to track key parameters.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We track key parameters in policies and record them for learning and development to enhance our policies.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	As Directors committed to driving our Company's sustainability agenda, we are proud to present our latest Business Responsibility Report, showcasing our dedication to Environmental, Social, and Governance (ESG) Principles. Over the past year, we have made significant strides in addressing key ESG challenges with innovative solutions and collaborative efforts. We are excited to highlight our achievements, including a substantial decrease in waste production and the successful implementation of renewable energy projects. These accomplishments reflect our unwavering commitment to creating a positive impact and advancing towards a more sustainable future. Our journey is ongoing and we remain dedicated to further enhancing our ESG performance and driving positive change within our industry.								



DISCLOSURE QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight									Board of Directors
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									No

10. Details of Review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other - please specify)									
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Performance against above policies and follow up action																			Policies wherever stated have been approved by Board/Committees of Board/Senior Management of the Company. Polices are reviewed at periodic intervals in all aspects including statutory requirements depending on the frequency stated in respective policies or on a need basis, whichever is earlier. Necessary updates are made to the policies.
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																			The Company has necessary procedures in place to ensure compliance with all relevant regulations.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.										No, however all policies and processes are subject to audits/reviews conducted internally in the Company from time to time.

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									Not Applicable
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

PRINCIPLES



PRINCIPLE 1

Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable



PRINCIPLE 2

Businesses should provide goods and service in a manner that is sustainable and safe



PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains



PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders



PRINCIPLE 5

Businesses should respect and promote human rights



PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment



PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent



PRINCIPLE 8

Businesses should promote inclusive growth and equitable development



PRINCIPLE 9





Businesses should engage with and provide value to their consumers in a responsible manner


PRINCIPLE 1

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 programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
 Board of Directors	Nil	-	Nil
 Key Managerial Personnel	1	Expert Talk	100
 Employees other than BoD and KMPs	5	Expert Talk, Productivity Improvement using LeanTools, Purchase Management & Negotiaion, Industrial Automation Courses - PLC/SCADA/Digital Communication, Orientation Programme	100
 Workers	4	Emotional Intelligence, Anandmay Jeevan	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:

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

3. Of the instances disclosed in question 2 above, details of the appeal/revision preferred in cases where monetary or non-monetary action has been appealed

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Nil	Nil

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.

Rishabh Code of Conduct Policy
 Weblink: <https://rishabh.co.in/>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	2023-24 (Current Financial Year)		2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of conflict of interest of the KMPs		-		-

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:

No such action was taken or is underway for the year under review.



8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format:

	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Accounts payables	0	0
Cost of goods/services procured	0	0
Number of days of accounts payables	0	0

9. Open-ness of Business: Provide details of 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:

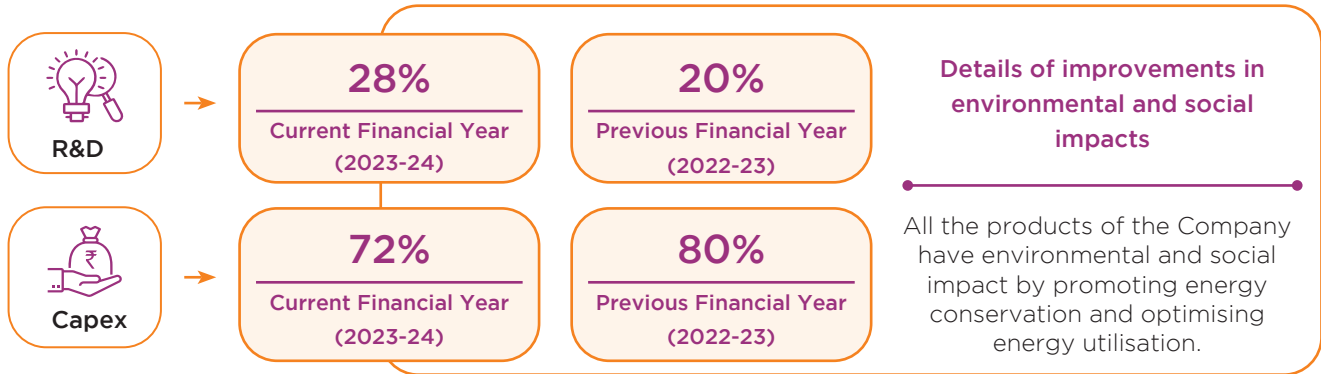
Parameter	Metrics	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	59	63
	b. Number of dealers/distributors to whom sales are made	175	177
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	28	25
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	17.33	22.66
	b. Sales (Sales to related parties/ Total Sales)	203.95	187.05
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	65.55	Nil
	d. Investments (Investments in related parties/Total Investments made)	Nil	Nil

PRINCIPLE 2

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 product and processes to total R&D and capex investments made by the entity, respectively.



- Does the entity have procedures in place for sustainable sourcing? (Yes/No) : No
 - If yes, what percentage of inputs were sourced sustainably? : No
- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

We adhere to the Standard Operating Procedure (SOP) titled “Waste Management,” which encompasses various categories including plastic, electronic waste, hazardous waste, and other distinct types of materials. For the disposal of hazardous waste, we engage with government-authorized agents to ensure compliance with regulatory standards and environmental protection.

- 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.

Yes, Extended Producer Responsibility (EPR) is applicable to our activities. Our waste collection plan is fully aligned with the EPR plan submitted to the Pollution Control Board. We are committed to adhering to these standards and ensuring compliance with relevant regulations.

Leadership Indicators

- Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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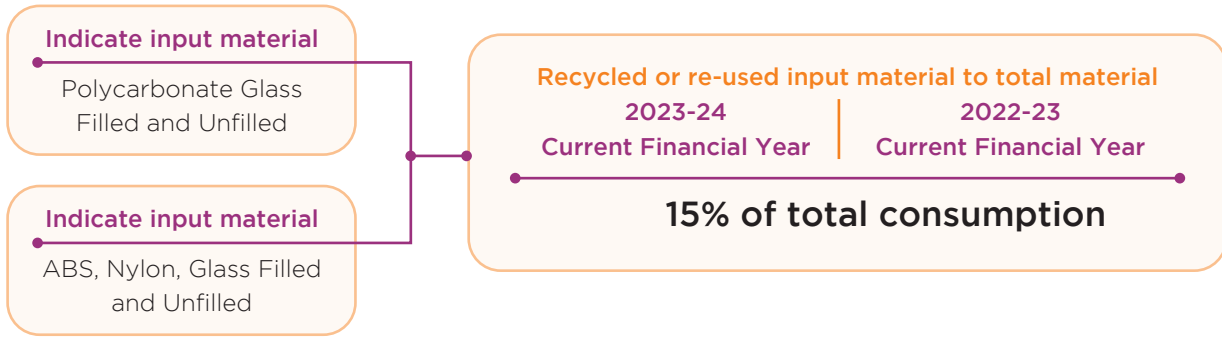
NIL



2. If there are any significant social or environmental concerns and/or risks arising from 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.

Name of Product/Service	Description of the risk/concern	Action Taken
NIL		

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).



4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars	Recycled or re-used input material to total material					
	2023-24 Current Financial Year			2022-23 Current Financial Year		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	9.68	Nil	Nil	12.91	Nil	Nil
E-waste	Desktop - 9 Servers - 15	Nil	Nil	Laptops - 45 Desktop - 3 Printer - 1 Projector - 2	Nil	Nil
Hazardous waste	Nil	Nil	ION RESIN 6.78	Nil	Nil	0.35
Other waste	Nil	Nil	Non-ferrous metal - 14.63, Ferrous metal - 21.7, Glass scrap - 2.55, Other scrap (wooden + corr box) - 74.51	Nil	Nil	Non-ferrous metal - 12.96, Ferrous metal - 34.6, Glass scrap - 2.83, Other scrap (wooden + corr box) - 59.3

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NIL	

PRINCIPLE 3

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:

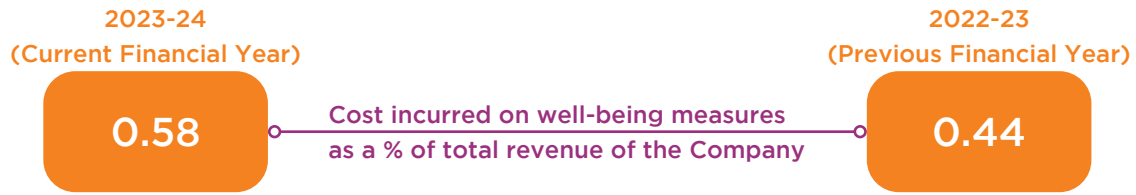
Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees (Full time/part time employed for an indeterminate period)											
Male	330	0	0	0	0	0	0	0	0	0	0
Female	36	0	0	0	2	5.56	0	0	0	0	0
Total	366	0	0	0	0	0	0	0	0	0	0
Other than permanent employees (Fixed term employment, ends when period expires, or after completion of a specific task)											
Male	18	0	0	0	0	0	0	0	0	0	0
Female	4	0	0	0	0	0	0	0	0	0	0
Total	22	0	0	0	0	0	0	0	0	0	0

1. b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	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 workers											
Male	33	0	0	0	0	0	0	0	0	0	0
Female	97	0	0	0	0	0	0	0	0	0	0
Total	130	0	0	0	0	0	0	0	0	0	0
Other than permanent workers											
Male	114	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	114	0	0	0	0	0	0	0	0	0	0



c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:



2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	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	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	26%	81%	Yes	26%	81%	Yes
Others - please specify	Nil	Nil	Nil	Nil	Nil	Nil

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?

Yes

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.

Yes.

Weblink: <https://rishabh.co.in/>

5. Return to work and retention rates of permanent employees and workers that took parental leave.

Permanent employees (Full time/part time employed for an indeterminate period)						
Gender	Return to work rate			Retention rate		
	Total no. of employees that did return to work after parental leave ended	Total no. of employees due to return to work after parental leave ended	Return to work rate	Total no. of employees retained 12 months after returning to work following a period of parental leave	Total no. of employees returning from parental leave in the prior reporting period (Previous Financial Year)	Retention rate
Male	0	0	0	0	0	0
Female	2	2	100	2	0	0
Total	2	2	100	2	0	0

Permanent workers						
Gender	Return to work rate			Retention rate		
	Total no. of employees that did return to work after parental leave ended	Total no. of employees due to return to work after parental leave ended	Return to work rate	Total no. of employees retained 12 months after returning to work following a period of parental leave	Total no. of employees returning from parental leave in the prior reporting period (Previous Financial Year)	Retention rate
Male	0	0	0	0	0	0
Female	3	0	0	3	0	0
Total	3	0	0	3	0	0

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.



Yes, we have established grievance redressal mechanisms for all categories of workers and employees. This includes dedicated channels for submitting concerns, a structured process for addressing grievances, and regular review meetings to ensure timely and effective resolution.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	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)
Employees						
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Total permanent employees	0	0	0	0	0	0
Workers						
Male	33	33	100%	33	33	100%
Female	97	97	100%	99	99	100%
Total permanent workers	130	130	100%	132	132	100%



8. Details of training given to employees and workers

Category	2023-24 (Current Financial Year)					2022-23 (Previous Financial Year)				
	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	330	130	39.39	11	3.33	289	0	62	21.45	
Female	36	36	111.11	0	-	33	0	16	48.48	
Total	366	170	46.45	11	3.01	322	0	78	24.22	
Workers										
Male	33	20	60.61	0	0	33	0	0	0	0
Female	97	85	175.26	0	0	99	135	136.36	0	0
Total	130	105	146.15	0	0	132	135	102.27	0	0

9. Details of performance and career development reviews of employees and worker:

Category	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	330	330	100.00	289	288	99.65
Female	36	36	100.00	33	33	100.00
Total	366	366	100.00	322	321	99.69
Workers						
Male	33	33	100.00	33	33	100
Female	97	97	100.00	99	99	100
Total	130	130	100.00	132	132	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 system?**

Yes, Rishabh Instruments Limited (RIL) has established, documented, implemented, maintains, and continuously improves an EH&S management system that meets the requirements of the international standard ISO 14001:2004 and OHSAS 18001:2007.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The entity utilises an Environmental Aspect Impact Register to systematically identify and control potential risks associated with both routine and non-routine activities. This register helps in assessing work-related hazards and evaluating their potential impact, ensuring proactive risk management and mitigation strategies.

- c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes

- d. **Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes

11. Details of safety related incidents, in the following format:

Safety incident/Number	Category	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place

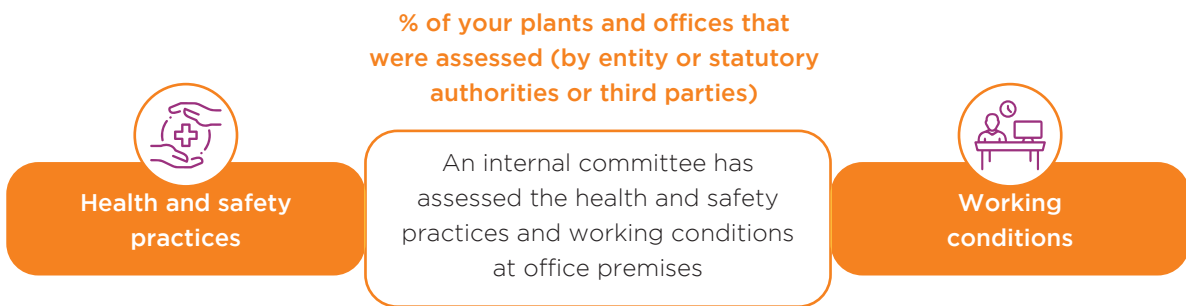
RIL Trains employees by conducting periodical trainings on electricity & safety norms, 5S, housekeeping, first aid, fire fighting and evacuation drills to convey the policies and awareness of emergency responses. RIL Keeps on organising Yearly Medical Checkups, Blood Donation Camps, Yoga Camps. The Company encourages provision of adequate sanitation facilities, safe drinking water, overall hygiene, and crèche in office.



13. Number of complaints on the following made by employees and workers:

	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	0	0	NA	0	0	NA
Health & safety	0	0	NA	0	0	NA

14. Assessments for the year:



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.

Not Applicable



PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

No such processes are identified.

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 & marginalised 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
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Nil





PRINCIPLE 5

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	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	Total (A)	No. of employees workers covered (B)	% (B/A)	Total (C)	No. employees workers covered (D)	% (D/C)
Employees						
Permanent	366	366	100	322	322	100
Other than permanent	22	22	100	3	3	100
Total Employees	388	388	100	325	325	100
Workers						
Permanent	130	130	100	132	132	100
Other than permanent	114	0	0	95	0	0
Total Workers	244	130	53.28	227	132	58.15

2. Details of minimum wages paid to employees and workers, in the following format:

Category	2023-24 (Current Financial Year)					2022-23 (Previous Financial Year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	366	0	0	366	100	322	0	0	322	100
Male	330	0	0	330	100	289	0	0	289	100
Female	36	0	0	36	100	33	0	0	33	100
Other than permanent	22	0	0	22	100	3	0	0	3	100
Male	18	0	0	18	100	3	0	0	3	100
Female	4	0	0	4	100	0	0	0	0	0

Category	2023-24 (Current Financial Year)					2022-23 (Previous Financial Year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent	130	3	2.31	127	97.69	132	2	1.52	130	98.48
Male	33	0	-	33	100	33	0	-	33	100.00
Female	97	3	3.09	94	96.91	99	2	2.02	97	97.98
Other than permanent	114	114	100	0	0	95	95	100	0	0
Male	114	114*	100	0	0	95	95*	100	0	0
Female	0	0	0	0	0	0	0	0	0	0

A few of the workers are earning slightly below the minimum wage due to the pressures faced by the business during the COVID-19 pandemic. However, it is important to note that the Company provided additional wages during the lockdown period, even when work was not actively performed by the employees.

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages:

Category	Male		Female	
	Number	Median remuneration/ salary/wages (in INR Million) of respective category	Number	Median remuneration/ salary/wages (in INR Million) of respective category
Board of Directors (BoD)	1	13		
Key Managerial Personnel	4	3		
Employees other than BoD and KMP	325	0	36	0.43
Workers	33	0	97	0.025

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:



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)

Yes. The HR Department is responsible for addressing human rights impacts or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The internal mechanisms in place to address grievances related to human rights issues include the Workers Union, the Internal Committee (IC), and the HR Department. These bodies collectively ensure that any concerns are effectively managed and resolved.



6. Number of Complaints on the following made by employees and workers:

	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child labour	Not applicable	Not applicable	Nil	Not applicable	Not applicable	Nil
Forced labour/involuntary labour	Not applicable	Not applicable	Nil	Not applicable	Not applicable	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

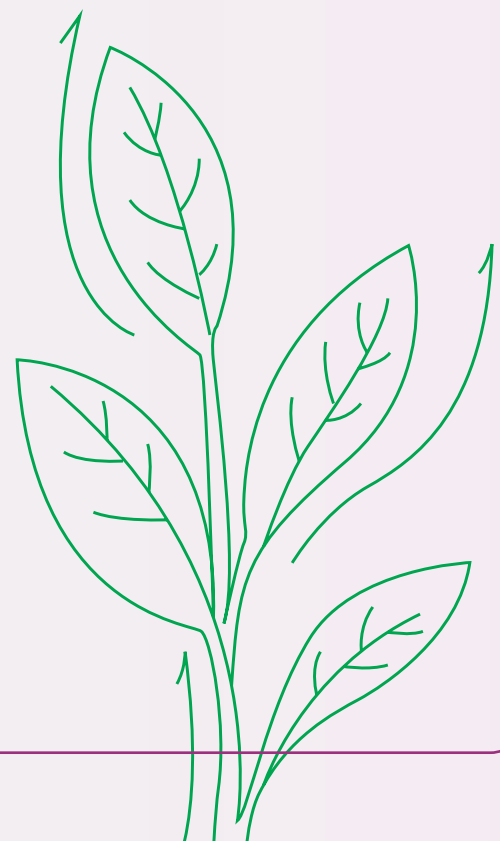
	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Internal Union and through the HR Department.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No.



10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Not Applicable
Forced/involuntary labour	Not Applicable
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others - please specify	Nil

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not Applicable.





PRINCIPLE 6

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

Total Energy Consumption

S. No.	Description	Unit of Measurement	Quantity {Current Financial Year (2023-24)}	Quantity {Previous Financial Year (2022-23)}
1	Biomass Briquette	MT	N.A.	N.A.
2	Renewable Sources (PPA)	Joules	N.A.	N.A.
3	Solar Energy (On site) - Rooftop/Streetlights	Joules	11,79,16,20,00,000	9,02,61,00,00,000
4	Diesel Consumption in Operation (Boiler/DG/ Forklift/Others)	KL	6.6	5.385
5	Grid Electricity Consumption	Joules	69,99,44,49,81,818	67,45,13,28,00,000
6	Diesel Consumption for Company Owned Vehicles	KL	Negligible	Negligible
7	Coal Consumption for Operations (Canteen food preparation)	KG	NA	NA
8	Natural Gas Used in Operations	SCM	NA	NA
9	Furnace Oil Consumption in Operations	KL	NA	NA
10	LDO Used in Operations	KL	NA	NA
11	LPG Used in Operations	KG	NA	NA
12	Steam Consumption in Operations (Please provide the pressure and temp values of the steam)	MT	NA	NA
13	Any other fuel consumed in operations		NA	NA

Note: Green marked are the renewable energy sources.

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.

No such scheme is in place.

3. Provide details of the following disclosures related to water, in the following format:

S. No.	Parameters	Unit	Current Financial Year (2023-24)	Previous Financial Year (2022-23)
Water Withdrawal by source (in kilolitres)				
(i)	Surface water	Kilolitre	10,791	12,097
(ii)	Groundwater	Kilolitre	NA	NA
(iii)	Third party water	Kilolitre	NA	NA
(iv)	Sea water/desalinated water	Kilolitre	NA	NA
(v)	Others	Kilolitre	NA	NA
	Total volume of water withdrawal (in kilolitres)	Kilolitre	NA	NA
	Total volume of water consumption (in kilolitres)	Kilolitre	10,791	12,097
	Water Intensity per rupee of turnover (Total water consumption/Revenue from operations)	Kilolitre	0.0086	0.011
	Water intensity in terms of physical output	Kilolitre	N.A.	N.A.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**



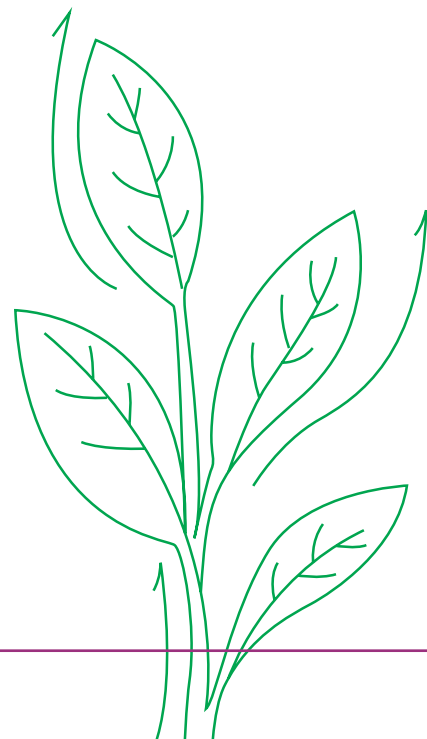
4. Provide the following details related to water discharged:

S. No.	Parameter	Unit	Current Financial Year (2023-24)	Previous Financial Year (2022-23)
Water discharge by destination and level of treatment (in kilolitres)				
(i)	To surface water	Kilolitre	1050	1050
	a. No treatment	Kilolitre	NA	NA
	b. With treatment - please specify level of treatment	Kilolitre	NA	NA
(ii)	Groundwater	Kilolitre	NA	NA
	a. No treatment	Kilolitre	NA	NA
	b. With treatment - please specify level of treatment	Kilolitre	NA	NA
(iii)	To sea water	Kilolitre	NA	NA
	a. No treatment	Kilolitre	NA	NA
	b. With treatment - please specify level of treatment	Kilolitre	NA	NA
(iv)	Sent to third-parties	Kilolitre	NA	NA
	a. No treatment	Kilolitre	NA	NA
	b. With treatment - please specify level of treatment	Kilolitre	NA	NA
(v)	Others		NA	NA
	a. No treatment	Kilolitre	NA	NA
	b. With treatment - please specify level of treatment	Kilolitre	NA	NA
Total water discharged (in Kilolitres)		Kilolitre	1050	1050

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency **No**

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No



6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	Current Financial Year (2023-24)	Previous Financial Year (2022-23)
NOx	Nil	Nil	Nil
SOx	Nil	Nil	Nil
Particulate matter (PM)	Nil	Nil	Nil
Persistent organic pollutants (POP)	Nil	Nil	Nil
Volatile organic compounds (VOC)	Nil	Nil	Nil
Hazardous air pollutants (HAP)	Nil	Nil	Nil
Others- please specify	Nil	Nil	Nil

Note: The Company was required to appoint an external agency for the purpose of air emission tracking, due to some exigencies, no tracking was carried out in previous and current Financial Year.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

7. Does the entity have any project related to reducing Green House Gas emissions? If Yes, then provide details.

No

8. Provide details related to waste management by the entity, in the following format:

Parameter	Current Financial Year (2023 -24)	Previous Financial Year (2022-23)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	9.6866	12.91
E-waste (B)	Negligible	Negligible
Bio-medical waste (C)	N.A.	N.A.
Construction and demolition waste (D)	N.A.	N.A.
Battery waste (E)	N.A.	N.A.
Radioactive waste (F)	N.A.	N.A.
Other hazardous waste. Please specify, if any. (G)	ION RESIN 6.78	0.35
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Non-ferrous metal - 14.63, Ferrous metal - 21.7, Glass scrap - 2.55, Other scrap (wooden + corr box) - 74.51	Non-ferrous metal - 12.96, Ferrous metal - 34.6, Glass scrap - 2.83, Other scrap (wooden + corr box) - 59.3



Parameter	Current Financial Year (2023 -24)	Previous Financial Year (2022-23)
Total waste generated (in metric tonnes)	129.8566	122.95
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.73	0.83
Waste intensity in terms of physical output	Negligible	Negligible
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i. Recycled	Nil	Nil
ii. Re-used	Nil	Nil
iii. Other recovery operations	Nil	Nil
Total	Nil	Nil
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i. Incineration	Nil	Nil
ii. Landfilling	Nil	Nil
iii. Other disposal operations	Nil	Nil
Total	Nil	Nil

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our waste management practices include meticulous segregation, recycling, and safe disposal of all waste materials. We reduce hazardous chemical usage through R&D, process optimisation, and supplier collaboration. Additionally, we conduct employee training and continuously improve our waste management strategies to ensure sustainability.

10. 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 ovals/clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance being complied with? (Y/N). If no, the reason of and corrective action is taken, if any.
Nil	Nil	Nil	Nil

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA notification no.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Nil	Nil	Nil	Nil	Nil	Nil

12. 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:

S. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil	Nil	Nil	Nil	Nil





PRINCIPLE 7

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.

Four (4).

1 b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
Nashik Industries and Manufacturers' Association	State
Maharashtra Chamber of Commerce, Industry & Agriculture	State
Indian Electrical & Electronics Manufacturers' Association	National
Nashik Industries Welfare Centre	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

PRINCIPLE 8
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.

Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not undertaken					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the Financial Year (In INR)
Not undertaken						

3. Describe the mechanisms to receive and redress grievances of the community.

No such mechanism is available as of now

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Directly sourced from MSMEs/small producers	Nil	Nil
Directly from within India	Nil	Nil

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

Location	Current Financial Year (2023-24)	Current Financial Year (2022-23)
Rural	Nil	Nil
Semi-urban	Nil	Nil
Urban	Nil	Nil
Metropolitan	Nil	Nil



PRINCIPLE 9

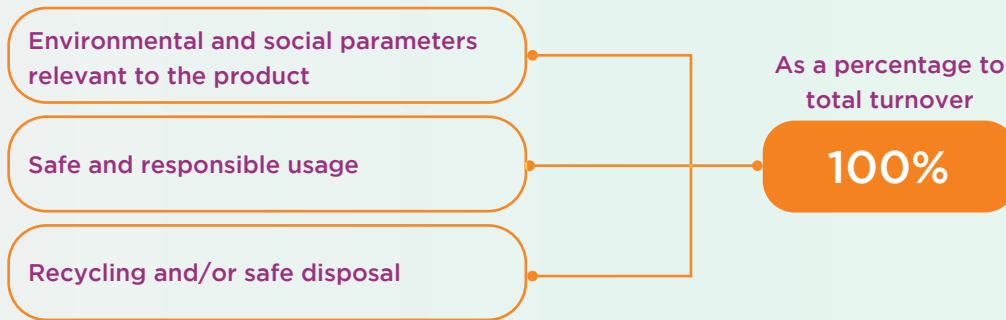
Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Customer complaints and feedback are received by Email/Phone Call/Product receipt through Sales Engineer or Service. After reviewing the case feedback is provided to the customer.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about in the table below:



3. Number of consumer complaints in respect of the following:

	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive trade practices	-	-	-	-	-	-
Restrictive trade practices	-	-	-	-	-	-
Unfair trade practices	-	-	-	-	-	-
Others - (quality, logistic, workorder etc)	-	-	-	-	-	-



4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

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 of the policy.

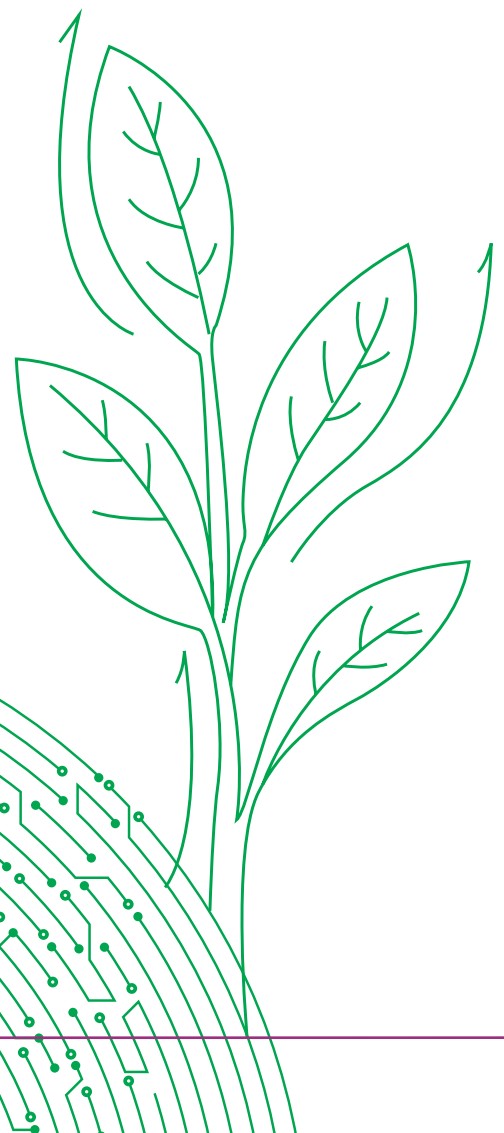
Yes. Weblink: <https://rishabh.co.in/>

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.

No corrective actions related to cybersecurity or other listed issues are currently in progress.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches	0
b. Percentage of data breaches involving personally identifiable information of customers	0
c. Impact, if any, of the data breaches	0





INDEPENDENT AUDITOR'S REPORT

To the Members of **Rishabh Instruments Limited**
(Formerly known as Rishabh Instruments Private Limited)

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone financial statements of Rishabh Instruments Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Provision for Impairment of Investment in subsidiaries.</p> <p>Refer Note 9 of financial statement with respect to the disclosures of Investment in subsidiaries. On March 31, 2024, Investment in subsidiaries amounts to INR. 1,075.74 Million, against which provision of INR. Nil were made towards impairment in the books of account.</p> <p>In accordance with Ind AS 36-"Impairment of Assets", at each reporting period end, management assesses the existence of impairment indicators of investments in subsidiaries. The processes and methodologies for assessing and determining</p>	<p>Our audit procedures in respect of this area include but are not limited to:</p> <ol style="list-style-type: none"> 1. Obtained an understanding of the Company's accounting policy on assessment of impairment of investments in subsidiaries and application of assumption used by the management, including design and implementation of controls over the same. 2. Tested the operating effectiveness of the internal controls over the process of valuation and impairment of investments in subsidiaries. 3. Obtained and reviewed the valuation report issued by the Company's independent valuation experts, and assessed the expert's competence, capability and objectivity.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>the recoverable amount of each investments are based on complex assumptions, that by their nature imply the use of the management's judgments & estimation uncertainty, in particular with reference to identification of impairment indicators, forecast of future cash flows relating to the period covered by the Company's strategic business plan, normalized cash flows assumed as a basis for terminal value, as well as the long-term growth rates and discount rates applied to such forecasted cash flows.</p> <p>Since the amount of provision (if any) for impairment is material and involves significant management judgement and estimation uncertainty, we have identified provision for impairment of investment in subsidiaries as a key audit matter.</p>	<p>4. Assessed the appropriateness of the valuation methodology applied and reasonableness of the assumptions used i.e. the discount rate and long-term growth rates used in the forecast</p> <p>5. Verified completeness, arithmetical accuracy and validity of the data used in the calculations.</p> <p>6. Assessed reasonableness of the future revenue and margin projections, by reviewing the historical accuracy of the Group's estimates and its ability to produce accurate long-term forecasts.</p> <p>7. Assessed the Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in carrying value of Investment in Subsidiaries.</p> <p>8. Assessed the completeness and accuracy of the disclosures in accordance with the requirements of the relevant Ind AS, which are included in Note 9 of the standalone financial statements.</p>

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the standalone financial statements and our auditor's report thereon. The Director's 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 Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGE WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

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



INDEPENDENT AUDITOR'S REPORT (Contd.)

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
 - (g) With respect to the adequacy of the internal financial controls with reference to Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 49 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- iv. 1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.
- vi. Based on our examination, the Company has used an accounting software for maintaining its books of account during the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, except that audit trail feature was not enabled at the database level during the year ended March 31, 2024 to log any direct data changes. Further, the audit trail feature has been operated throughout the year for all relevant transactions recorded in the accounting software, except for the software at the database level as stated above, in respect of which the audit trail feature has not operated throughout the year for all the relevant transactions recorded in this accounting software during the year ended March 31, 2024. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with.
3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For **M S K A & Associates**

Chartered Accountants
ICAI Firm Registration No. 105047W

Nitin Manohar Jumani

Partner
Membership No. 111700
UDIN: 24111700BKAILA2958

Place: Pune

Date: May 29, 2024



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RISHABH INSTRUMENTS LIMITED (FORMERLY KNOWN AS RISHABH INSTRUMENTS PRIVATE LIMITED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 and Board of Directors.
- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2024 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.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Nitin Manohar Jumani
Partner
Membership No. 111700
UDIN: 24111700BKAILA2958

Place: Pune
Date: May 29, 2024

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RISHABH INSTRUMENTS LIMITED (FORMERLY KNOWN AS RISHABH INSTRUMENTS PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2024

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (a) B The Company has maintained proper records showing full particulars of intangible assets.
- i. (b) All the Property, Plant and Equipment and right of use assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- i. (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements, are held in the name of the Company.
- i. (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
- i. (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and in respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies were noticed in respect of such confirmations. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- ii. (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Bankson the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly statements are filed with such Banksare not in agreement with the books of accounts of the Company. Details of the same are as below.



ANNEXURE B (Contd.)

Quarter Ended	Particulars of Security	Amount as per books of accounts. (Million INR)	Amount as per quarterly statement (Million INR)	Variance	Discrepancy (give details)
June 2023	Trade Receivables Trade Payables Inventories	303.14 238.10 778.83	454.54 164.43 732.60	(151.41) 73.67 46.23	The difference is due to the submission to the banks were made before financial reporting closure process. [In the quarterly statement, the company reports trade receivables that are outstanding for less than 90 days and trade payables excluding provisions for expenses. Consequently, the books reflect amounts to that extent only.]
September 2023	Trade Receivables Trade Payables Inventories	331.68 214.00 793.96	369.22 100.99 787.29	(37.54) 113.01 6.66	
December 2023	Trade Receivables Trade Payables Inventories	232.74 172.44 870.10	289.91 275.26 852.70	(57.17) (102.82) 17.40	
March 2024	Trade Receivables Trade Payables Inventories	281.37 188.37 866.27	362.50 119.40 783.80	(81.13) 68.97 82.47	

iii. (a) According to the information explanation provided to us, the Company has provided loans, advances in the nature of loans, stood guarantee, and/or provided security to other entities.

(A) The details of such loans, advances, guarantee or security to subsidiaries are as follows:

Particulars	Guarantees (INR in Million)	Security (INR in Million)	Loans (INR in Million)	Advances in the nature of loans (INR in Million)
Aggregate amount granted/ provided during the year				
- Subsidiaries	Nil	Nil	12.32	Nil
Balance Outstanding as at balance sheet date in respect of above cases (including interest)	39.65	Nil	13.34	Nil
- Subsidiaries				

iii. (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made and guarantees provided and terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made, guarantees provided are not prejudicial to the interest of the Company.

iii. (c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the repayment of the principal and payment of interest.

iii. (d) According to the information and explanations given to us and on the basis

of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans and/ or advances in the nature of loans, granted to Company.

iii. (e) According to the information explanation provided to us, the loans or advances in the nature of loan granted has not fallen due during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.

iii. (f) According to the information explanation provided to us, the Company has not any granted loans and / or advances in the nature of loans, including to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 either

ANNEXURE B (Contd.)

repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the provisions stated under clause 3(iii)(f) of the Order are not applicable to the Company.

- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and security made.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the

same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, duty of customs, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2024, outstanding for a period of more than six months from the date they became payable.

- vii. (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded (INR in Million)	Amount Paid (INR in Million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Employees Provident fund Scheme, 1952	Employee Provident Fund	6.08	3.63 million	Year 2006 to 2009	Hon'ble High Court Maharashtra	Company has deposited Rs 3.63 million under protest.

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.



ANNEXURE B (Contd.)

- ix. (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- ix. (c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated under clause 3(ix)(c) of the Order is not applicable to the Company.
- ix. (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- ix. (e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.
- ix. (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Accordingly, reporting under Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanation given to us, monies raised during the year by the Company by way of initial public offer were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in liquid investments payable on demand. The maximum amount of idle/surplus funds invested during the year was Rs. 630.01 million, of which Rs 652.78 million (including interest of Rs. 22.77 million) was outstanding at the end of the year. Further, the Company has not raised any monies by way of debt instruments.
- x. (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.
- xi. (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- xi. (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the

ANNEXURE B (Contd.)

related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- xiv. (b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi) (a) of the Order are not applicable to the Company.
- xvi. (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi) (b) of the Order are not applicable to the Company.
- xvi. (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi) (c) of the Order are not applicable to the Company.
- xvi. (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies(Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly,

the provisions stated under clause 3(xvi) (d) of the order are not applicable to the Company.

- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 61 to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Companies Act, 2013, are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Companies

**ANNEXURE B (Contd.)**

Act, 2013 or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII to the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) 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. Accordingly, no comment

in respect of the said Clause has been included in the report.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Nitin Manohar Jumani
Partner
Membership No. 111700
UDIN: 24111700BKAILA2958

Place: Pune
Date: May 29, 2024

ANNEXURE C ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RISHABH INSTRUMENTS LIMITED (FORMERLY KNOWN AS RISHABH INSTRUMENTS PRIVATE LIMITED)

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Rishabh Instruments Limited on the Financial Statements for the year ended March 31, 2024]

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

We have audited the internal financial controls with reference to standalone financial statements of Rishabh Instruments Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control 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 issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

MANAGEMENTS' AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

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 Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

A company's internal financial control 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 control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that,



ANNEXURE C (Contd.)

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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 control 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.

For **M S K A & Associates**

Chartered Accountants
ICAI Firm Registration No. 105047W

Nitin Manohar Jumani

Partner
Membership No. 111700
UDIN: 24111700BKAILA2958

Place: Pune
Date: May 29, 2024

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2024

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Non-current assets			
(a) Property, Plant and Equipment	5	391.95	384.86
(b) Capital work-in-progress	6	9.04	3.36
(c) Intangible assets	7	17.73	23.37
(d) Intangible asset under development	8	6.78	-
(e) Financial assets			
(i) Investments	9	1,075.74	883.48
(ii) Other financial assets	10	6.74	4.83
(f) Other non-current assets	11	16.15	16.02
Total non-current assets		1,524.13	1,315.92
II. Current assets			
(a) Inventories	12	866.27	752.94
(b) Financial assets			
(i) Trade receivables	13	299.90	373.11
(ii) Cash and cash equivalents	14	202.91	47.48
(iii) Bank balances other than cash and cash equivalent	15	1,033.83	385.92
(iv) Other financial assets	16	75.12	9.83
(c) Current tax assets (net)	17	-	8.70
(d) Other current assets	18	104.28	155.73
Total current assets		2,582.31	1,733.71
Total assets		4,106.44	3,049.63
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19(A) & 19(B)	382.05	292.50
(b) Instruments entirely equity in nature	19(C)	-	108.18
(c) Other equity	20	3,326.99	2,031.66
Total equity		3,709.04	2,432.34
Liabilities			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	-	44.36
(ii) Lease Liabilities	40	8.78	2.47
(b) Provisions	22	7.25	5.91
(c) Deferred tax liabilities (net)	36	6.55	16.11
Total non-current liabilities		22.58	68.85
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	41.95	170.69
(ii) Lease Liabilities	40	8.38	1.04
(iii) Trade payables	24		
A) total outstanding dues of micro enterprises and small enterprises		38.89	53.90
B) total outstanding dues of creditors other than micro enterprise and small enterprise		155.62	213.18
(iv) Other financial liabilities	25	73.79	48.12
(b) Other current liabilities	26	33.96	57.46
(c) Provisions	22	4.96	4.05
(d) Current tax liabilities (net)	27	17.27	-
Total current liabilities		374.82	548.44
Total liabilities		397.40	617.29
Total equity and liabilities		4,106.44	3,049.63
Summary of material accounting policies followed by the Company	3		

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

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration Number: 105047W

Nitin Manohar Jumani

Partner

Membership No: 111700

Place: Pune

Date: May 29, 2024

For and on behalf of the Board of Directors of

Rishabh Instruments Limited (Formerly known as Rishabh Instruments Private Limited)

CIN:L31100MH1982PLC028406

Narendra Goliya

Director

DIN: 00315870

Place: Nashik

Date: May 29, 2024

P.K.Ramakrishnan

Director

DIN: 00304272

Place: Nashik

Date: May 29, 2024

Ajinkya Joglekar

Company Secretary

Membership No: A57272

Place: Nashik

Date: May 29, 2024

Vishal Kulkarni

Chief Financial Officer

Place: Nashik

Date: May 29, 2024



STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue from operations	28	2,245.70	1,959.80
Other income	29	60.37	50.72
Total income		2,306.07	2,010.52
EXPENSES			
Cost of raw material and components consumed	30A	1,091.11	1,062.90
Purchase of Stock-in-trade	30B	15.76	17.75
Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	(51.87)	(42.46)
Employee benefits expense	32	423.95	345.16
Finance costs	33	6.69	25.28
Depreciation and amortisation expense	34	99.90	95.98
Other expenses	35	311.19	263.36
Total expenses		1,896.73	1,767.97
Profit before tax		409.34	242.55
Income Tax expense/(Credit)			
Current tax	36	85.02	69.02
Deferred tax	36	0.48	(13.23)
Total income tax expense		85.50	55.79
Profit for the year		323.84	186.76
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(5.93)	(0.99)
Income tax effect		1.49	0.25
Other comprehensive income/(loss) for the year, net of tax		(4.44)	(0.74)
Total comprehensive income for the year		319.40	186.02
Earnings per share [Nominal value per share INR 10 each (March 31, 2023: INR 10 each)]			
Basic earnings per share (INR)		8.69	5.12
Diluted earnings per share (INR)		8.61	5.09
Summary of material accounting policies followed by the Company	3		

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

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration Number: 105047W

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Place: Nashik

Date: May 29, 2024

Ajinkya Joglekar

Company Secretary

Membership No: A57272

Place: Nashik

Date: May 29, 2024

STATEMENT OF STANDALONE CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Year ended Sunday, March 31, 2024	Year ended Friday, March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	409.34	242.55
Adjustments for:		
Depreciation and amortisation expenses	99.90	95.98
Finance cost	6.69	25.28
Gain on sale of property plant and equipment's	(0.03)	-
Interest income	(51.27)	(24.04)
Share based payment expense	54.08	10.68
(Excess)/Provision for credit impairment of trade receivable	(0.79)	0.43
Operating profit before working capital changes	517.92	350.88
Changes in working capital		
Increase/ (Decrease) in trade payables	(84.71)	28.24
(Increase) in inventories	(113.33)	(144.21)
Decrease/ (increase) in trade receivables	45.37	(133.42)
Increase in other liabilities	5.11	4.75
Increase / (Decrease) in provisions	(3.68)	0.28
Increase in other financial liabilities	6.19	3.16
(Increase) in other financial assets	(31.90)	(2.64)
Decrease/(increase) in other current/ non-current assets	62.13	(58.40)
Cash generated from operations	403.10	48.64
Income tax paid (net of refunds)	(59.05)	(74.28)
Net cash inflows from / (used in) operating activities (A)	344.05	(25.64)
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for property, plant and equipment and intangible assets	(88.44)	(112.14)
Investments in equity shares of Subsidiaries	(39.36)	(4.63)
Proceeds from sale/ disposal of property plant and equipment's	0.11	-
Loan given to Subsidiaries	(13.34)	-
(Investment) in/proceeds in relation to term deposits (net)	(647.90)	225.75
Interest received	29.30	24.04
Net cash inflows from/ (used in) investing activities (B)	(759.63)	133.02
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	750.00	-
Transaction cost on issuance of shares	(25.95)	-
Proceeds from exercise of share options	34.26	-
Repayment of borrowings	(173.10)	(56.19)
Interest paid	(6.90)	(24.88)
payment of lease liabilities	(7.30)	(5.50)
Net cash inflows from/ (used in) financing activities (C)	571.01	(86.57)
Net increase in cash and cash equivalents (A+B+C)	155.43	20.81
Cash and cash equivalents at the beginning of the year	47.48	26.67
Cash and cash equivalents at the end of the year	202.91	47.48
Cash and cash equivalents comprise (Refer note 14)		
Balances with banks		
On current accounts	98.65	45.32
Fixed deposits with original maturity of less than 3 months	104.26	2.16
Total cash and bank balances at end of the year	202.91	47.48
Summary of material accounting policies followed by the Company	3	

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

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration Number: 105047W

Nitin Manohar Jumani

Partner

Membership No: 111700

Place: Pune

Date: May 29, 2024

For and on behalf of the Board of Directors of

Rishabh Instruments Limited (Formerly known as Rishabh Instruments Private Limited)

CIN:L31100MH1982PLC028406

Narendra Goliya

Director

DIN: 00315870

Place: Nashik

Date: May 29, 2024

Vishal Kulkarni

Chief Financial Officer

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P.K.Ramakrishnan

Director

DIN: 00304272

Place: Nashik

Date: May 29, 2024

Ajinkya Joglekar

Company Secretary

Membership No: A57272

Place: Nashik

Date: May 29, 2024



STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(Amount in INR Million except per share data and unless otherwise stated)

(A) EQUITY SHARE CAPITAL

Ordinary Equity Shares

For the year ended March 31, 2024	March 31, 2024	
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2023	29,250,400	292.50
Changes during the period [Refer note 19A(i)]	8,954,624	89.55
Balance as at March 31, 2024	38,205,024	382.05

For the year ended March 31, 2023	March 31, 2023	
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2022	14,625,100	146.25
Bonus issued during the year	14,625,200	146.25
Conversion into ordinary equity shares	100	0.00
Balance as at March 31, 2023	29,250,400	292.50

Note : The amount reported 0.00 is below roundoff threshold limit

Class A Equity Shares

For the year ended March 31, 2024	March 31, 2024	
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2023	-	-
Changes during the period	-	-
Balance as at March 31, 2024	-	-

For the year ended March 31, 2023	March 31, 2023	
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2022	100	0.00
Conversion into ordinary equity shares	(100)	(0.00)
Balance as at March 31, 2023	-	-

Note : The amount reported 0.00 is below roundoff threshold limit

(B) INSTRUMENTS ENTIRELY EQUITY IN NATURE

For the year ended March 31, 2024	March 31, 2024	
Compulsorily Convertible Preference shares of INR 30 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2023	3,606,110	108.18
Conversion into ordinary equity shares [Refer note 19(C)]	(3,606,110)	(108.18)
Balance as at March 31, 2024	-	-

For the year ended March 31, 2023	March 31, 2023	
Compulsorily Convertible Preference shares of INR 30 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2022	3,606,110	108.18
Changes during the year	-	-
Balance as at March 31, 2023	3,606,110	108.18

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(C) OTHER EQUITY

For the year ended March 31, 2024

Particulars	Other Equity					Other items of Other Comprehensive Income	Application money received under Employee Stock Option	Total
	Securities Premium	Capital Redemption Reserve	Surplus in Statement of Profit & Loss	ESOP Reserve	General Reserve			
Balance as at April 01, 2023	290.71	24.33	1,446.73	91.67	178.95	(0.73)	-	2,031.66
Profit for the year	-	-	323.84	-	-	-	-	323.84
Other comprehensive income	-	-	-	-	-	(4.44)	-	(4.44)
Total Comprehensive Income	-	-	323.84	-	-	(4.44)	-	319.40
Transactions with owners in their capacity as owners:	-	-	-	-	-	-	-	-
Securities premium on conversion of Compulsory Convertible Preference Shares (CCPS) and issue of shares through initial public offer	771.08	-	-	-	-	-	-	771.08
Securities premium utilised to write off the share issue expenses	(42.50)	-	-	-	-	-	-	(42.50)
Deferred tax on share issue expenses	8.55	-	-	-	-	-	-	8.55
Employee stock option exercised scheme 2016	42.38	-	-	(11.55)	-	-	-	30.82
Forfeiture of ESOP options during the year	-	-	0.27	(0.27)	-	-	-	-
ESOP Expense during the year	-	-	-	54.08	-	-	-	54.08
ESOP through deemed investment in Subsidiary [Refer note 39(B)]	-	-	-	152.90	-	-	-	152.90
Transfer from profit & loss to general reserve	-	-	(8.10)	-	8.10	-	-	-
Application money received pending for allotment [Refer note 20(G)]	-	-	-	-	-	-	1.00	1.00
Balance as at March 31, 2024	1,070.21	24.33	1,762.74	286.83	187.05	(5.17)	1.00	3,326.99



STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

For the year ended March 31, 2023

Particulars	Other Equity					Other items of Other Comprehensive Income	Application money received under Employee Stock Option	Total
	Securities Premium	Capital Redemption Reserve	Surplus in Statement of Profit & Loss	ESOP Reserve	General Reserve			
Balance as at April 01, 2022	436.96	24.33	1,264.64	11.82	174.29	0.01	-	1,912.05
Profit for the year	-	-	186.76	-	-	-	-	186.76
Other comprehensive income	-	-	-	-	-	(0.74)	-	(0.74)
Total Comprehensive Income	-	-	186.76	-	-	(0.74)	-	186.02
Transactions with owners in their capacity as owners:	-	-	-	-	-	-	-	-
Bonus issue during the year	(146.25)	-	-	-	-	-	-	(146.25)
Distribution of dividend	-	-	(0.00)	-	-	-	-	(0.00)
ESOP Expense during the year	-	-	-	10.68	-	-	-	10.68
ESOP through deemed investment in Subsidiary [Refer note 39(B)]	-	-	-	69.17	-	-	-	69.17
Transfer from profit & loss to general reserve	-	-	-	-	4.67	-	-	4.67
Transfer To general reserve from profit & loss.	-	-	(4.67)	-	-	-	-	(4.67)
Balance as at March 31, 2023	290.71	24.33	1,446.73	91.67	178.95	(0.73)	-	2,031.66

Summary of material accounting policies followed by the Company 3

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

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

Nitin Manohar Jumani
Partner
Membership No: 111700

Place: Pune
Date: May 29, 2024

For and on behalf of the Board of Directors of
Rishabh Instruments Limited (Formerly known as Rishabh Instruments Private Limited)
CIN:L31100MH1982PLC028406

Narendra Goliya
Director
DIN: 00315870

Place: Nashik
Date: May 29, 2024

P.K.Ramakrishnan
Director
DIN: 00304272

Place: Nashik
Date: May 29, 2024

Ajinkya Joglekar
Company Secretary
Membership No: A57272

Place: Nashik
Date: May 29, 2024

Vishal Kulkarni
Chief Financial Officer

Place: Nashik
Date: May 29, 2024

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in INR Million except per share data and unless otherwise stated)

1. REPORTING ENTITY

Rishabh Instruments Limited (“the Company”) formerly known as Rishabh Instruments Private Limited is domiciled in India and incorporated under the provisions of the Companies Act, 1956 (“the Act”). The Company is engaged in the designing, development and manufacturing of test and measuring instruments and industrial control products. The Company caters to both domestic and international markets. The CIN of the Company is L31100MH1982PLC028406. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Board of Directors approved the financial statements for the year ended March 31, 2024, and authorised for issue on May 29, 2024.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(i) Statement of compliance and basis of Preparation

The financial statements (“the Financial Statements”) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Details of the Company’s material accounting policies are included in Note 3.

(ii) Functional and presentation currency

These Financial Statements are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts have been rounded off to the nearest Million to two decimal points unless otherwise indicated.

(iii) Basis of measurement

The Financial Statements have been prepared on a historical cost convention on an accrual basis except for the following items:

Items	Measurement basis
Share based Payments Transactions	Fair value on the grant date
Net defined benefit liability	Present value of defined benefit obligation less fair value of plan assets

(iv) Going Concern Assumption

These Financial Statements have been prepared on a going-concern basis. The management has assessed the cash flow projections and available liquidity for at least twelve months from the date of these Financial Statements. Based on this evaluation, Management believes that the Company will be able to continue as a ‘going concern’ in the foreseeable future and for at least twelve months from the date of these Financial Statements based on the following:

- Expected future operating cash flows based on business projections, and
- Available credit facilities with its bankers.

Based on the above factors, Management has concluded that the “going concern” assumption is appropriate. Accordingly, the Financial Statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Company be unable to continue as a going concern.

(v) Critical accounting judgements and key sources of estimation uncertainty

In preparing these Financial Statements, management has made judgements, 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 an ongoing basis. Revisions to accounting estimates are recognised prospectively.

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 Financial Statements are included in the following notes:



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

a) Critical Accounting Estimates

- Note 38 - The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation 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 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. The policy for the same has been explained under Note 3
- Note 5 - Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge with respect to periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year's end. Their lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life. The policy for the same has been explained under Note 3
- Note 10,13 & 16 - The impairment provisions of financial assets are based on assumptions about the risk of default and the expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period

With respect to the loan given, The Company assesses the recoverability of loans given to the subsidiary annually. This involves evaluating the subsidiary's financial health, cash flow projections, and market conditions. The estimation process

involves significant judgment, including assumptions about the subsidiary's future cash flows, repayment ability, and economic conditions. All assumptions are reviewed at each reporting date

The policy for the same has been explained under Note 3

Note 9 - The Company assesses the carrying value of investments in subsidiaries for impairment. This involves evaluating the subsidiary's financial performance, market conditions, and future cash flow projections. This process requires significant judgment, including assumptions about future cash flows, growth rates, and discount rates, reflecting management's best estimates under current market conditions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 3

Note 12 - The Company assesses inventory at the lower of cost and net realisable value (NRV). NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The provision for NRV is based on Current and forecasted market trends, Obsolescence & sales projections. This estimate involves significant judgment and is reviewed at each reporting date. The policy for the same has been explained under Note 3

Note 39 - The Company Estimates fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires the determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 39. The accounting policy for the same has been explained under Note 3

b) Changes in accounting policies and disclosures

The Ministry of Corporate Affairs has notified

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023, to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Company has applied these amendments for the first time in these financial statements.

(i) Amendments to Ind AS 1 - disclosure of accounting policies

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

(ii) Definition of Accounting Estimates - Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors

The amendments clarify the distinction between changes in accounting estimates changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

(iii) Amendments to Ind AS 12 - deferred tax related to assets and liabilities arising from a single transaction

The amendments narrow the scope of the initial recognition exception under Ind AS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The other amendments to Ind AS notified by these rules are primarily clarifications. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3 MATERIAL ACCOUNTING POLICIES

(i) Foreign currency

Foreign currency transactions and translation

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated to the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss,

Foreign exchange gains and losses are presented in the statement of Profit and loss on a net basis.

(ii) Financial Instruments

- financial assets, which include cash and cash equivalents, Loans given, trade receivables, and investments in equity instruments of the subsidiaries.
- financial liabilities, which include borrowings, trade payables and eligible current and noncurrent liabilities.

(a) Non-derivative financial instruments consist of:

Non-derivative financial instruments are recognised initially at fair value. After initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents.

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with banks and are considered part of the Company's cash management system.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Investments in subsidiaries:

Investment in equity instruments of subsidiaries is measured at cost less impairment (if any). Cost represents the amount paid for the acquisition of the said investments

The Company assesses at the end of each reporting period if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over the cost

Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These comprise trade receivables loans given and eligible current and noncurrent assets. They are presented as current assets, except for those expected to be realised later than twelve months after the reporting date which are presented as non-current assets. All financial assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. However, trade receivables that do not contain a significant financing component are measured at the Transaction Price.

Trade payables and other liabilities

Trade payables are initially recognised at transaction price, and subsequently carried at transaction price.

Other liabilities are initially recognised at transaction price, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109. If the

Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged cancelled or expires.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(iii) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost (cash price equivalent), which includes capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

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

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

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use on the Balance Sheet date.

PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

i. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

ii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using written down value method and is generally recognised in the statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is provided over the useful life of assets as assessed by the management which is based on the technical expert's assessment, certain items of property plant and equipment to the Companies Act 2013, as follows -

Particulars	Useful lives (years)
Buildings	28
Moulds	6
Plant & Machinery	10-20
Servers & Computer	3-6
Furniture and fixtures	5
Vehicles	8-10

Cost of leasehold land is amortised over the period of lease i.e., 77 years to 99 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which the asset is ready for use (disposed of).

(iv) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. 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 how the economic benefit is expected to be generated. The estimated useful life of amortisable intangibles is reviewed and where appropriate is adjusted, annually.

The estimated useful lives of the amortisable intangible assets are considered as 6 to 10 years.

(v) Impairment

i. Impairment of Financial assets

The Company applies the expected credit loss model for recognising impairment loss

on financial assets measured at amortised cost, trade receivables, loans given and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using the effective interest rate.

Loss allowances for trade receivables, loans given are measured at an amount equal to lifetime expected credit loss. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to account risk profiling of customers and historical credit loss experience adjusted for forward looking information.

ii. Impairment of non-financial assets

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

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods,



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

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

(vi) Inventories:

Inventories are valued at lower of cost and net realisable value including necessary provision for obsolescence. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The comparison of cost and net realisable value is made on an item-by-item basis.

The cost of raw materials, components, consumable stores and spare parts is determined using the weighted average method and includes freight, taxes and duties, net of duty credits wherever applicable.

Finished goods and work in progress are valued at lower cost and net realisable value. Cost includes all direct costs including applicable manufacturing overheads incurred in bringing them to their present location and condition

(vii) Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Post-employment benefits (defined benefit plans)

The Company provides for retirement benefits in the form of Gratuity. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii. Defined contribution plans

The Company makes defined contribution to Government Employee Provident Fund

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

and employee state insurance scheme which is recognised in the Statement of Profit and Loss on accrual basis.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(viii) Revenue Recognition

The Company derives revenue primarily from manufacture and sale of industrial electricity test & measuring instruments. The Company also earns revenue from rendering testing services of these instruments & other technical services to subsidiaries.

Sale of Products:

Revenue from sale of product is recognised at point in time when control of the goods has transferred to the customer. Control over a good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales. Revenue from product sales is recorded net of allowances for estimated rebates and estimates of product returns, all of which are established at the time of sale

Testing & technical services contract:

The Company recognise revenue from testing and technical services as and when services are rendered and on the basis of contractual terms

with the parties. The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer.

(ix) Export Incentives:

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

(x) Dividend:

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

(xi) Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income

i. Current income tax

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances.

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

ii. Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax liabilities are generally



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

recognised for all taxable temporary differences except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

(xii) Leases

Company as a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

Leases of low value assets; and

Leases with a duration of 12 months or less

Lease liabilities

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the entities incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Right-of-use assets

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated over the asset's lease term on a straight-line basis.

(xiii) Provisions and Contingent Liabilities

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that an outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 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. Contingent assets are neither recognised nor disclosed in the financial statements.

(xiv) Share based payments transactions.

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model

That cost is recognised, together with a corresponding increase in share-based payment

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Companies' best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised at the beginning and end of that period and is recognised in employee benefits expense

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied

(xv) Earnings Per Share [EPS]

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference

dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resource

For the purpose of calculating diluted earnings per share, the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares which is only attributable to the share-based payment transactions as disclosed above and in note 39

(xvi) Segment Reporting

The Company's operations predominantly relate to designing, development and manufacturing of test and measuring instruments and industrial control products. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. In accordance with IND AS 108, 'Operating Segments', the company has presented the segment information on a consolidated basis in its consolidated financial statements.

4 NEW STANDARDS AND AMENDMENTS ISSUED BUT NOT EFFECTIVE

There are no such standards which are notified but not yet effective.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross block				Depreciation				Net block
	As at April 01, 2023	Additions	Deductions	As at March 31, 2024	As at April 01, 2023	For the year	Deductions	As at March 31, 2024	As at March 31, 2024
Leasehold Land	6.42	-	-	6.42	0.32	0.11	-	0.43	5.99
Buildings	150.28	-	-	150.28	32.90	11.08	-	43.98	106.30
Plant and Machinery	251.63	15.39	-	267.02	82.07	35.29	-	117.36	149.66
Furniture and Fixtures	11.77	1.16	-	12.93	5.87	2.90	-	8.77	4.16
Office Equipment	10.62	0.25	-	10.87	3.85	1.49	-	5.34	5.53
Computers	18.19	3.48	(8.86)	12.81	6.37	5.21	(8.79)	2.79	10.02
Motor vehicle	9.86	29.45	-	39.31	2.50	3.52	-	6.02	33.29
Moulds	128.14	30.26	-	158.40	71.48	26.35	-	97.83	60.57
Right-of-use Assets*	16.85	20.97	-	37.82	13.54	7.85	-	21.39	16.43
Total	603.76	100.96	(8.86)	695.86	218.90	93.80	(8.79)	303.91	391.95

Property, Plant and Equipment

Particulars	Gross block				Depreciation				Net block
	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at April 01, 2022	For the year	Deductions	As at March 31, 2023	As at March 31, 2023
Leasehold Land	6.42	-	-	6.42	0.22	0.11	-	0.32	6.10
Buildings	146.15	4.13	-	150.28	21.01	11.89	-	32.90	117.38
Plant and Machinery	230.93	20.73	(0.03)	251.63	42.89	39.20	(0.02)	82.07	169.56
Furniture and Fixtures	10.61	1.16	-	11.77	3.70	2.17	-	5.87	5.90
Office Equipment	9.77	0.85	-	10.62	2.23	1.62	-	3.85	6.77
Computers	16.23	3.58	(1.62)	18.19	2.86	5.09	(1.58)	6.37	11.82
Motor vehicle	4.03	5.83	-	9.86	1.82	0.68	-	2.50	7.36
Moulds	95.51	32.63	-	128.14	45.76	25.72	-	71.48	56.66
Right-of-use Assets*	13.92	2.93	-	16.85	9.36	4.18	-	13.54	3.31
Total	533.57	71.84	(1.65)	603.76	129.85	90.66	(1.60)	218.90	384.86

*Right of use assets comprises of Office premise taken under lease ranging from 3 to 5 years at various locations.

5.01 Property, plant and equipment pledged as security

Refer to Note 47 for information on property, plant and equipment pledged as security by the Company.

5.02 Contractual Obligations

Refer to Note 48 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

5.03 Revaluation of assets

The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current year and previous year.

6 CAPITAL WORK-IN-PROGRESS

Particulars	As at April 01, 2023	Additions	Capitalised during the year	As at March 31, 2024	As at April 01, 2022	Additions	Capitalised during the year	As at March 31, 2023
Capital Work in Progress	3.36	55.50	(49.82)	9.04	0.14	30.44	(27.22)	3.36

7 INTANGIBLE ASSETS

Particulars	Gross block				Amortisation				Net block
	As at April 01, 2023	Additions	Deductions/ Adjustments	As at March 31, 2024	As at April 01, 2023	For the year	Deductions	As at March 31, 2024	As at March 31, 2024
Computer Software	17.59	0.47	-	18.06	6.56	3.02	-	9.58	8.48
Technical knowhow	21.70	-	-	21.70	9.37	3.08	-	12.45	9.25
Total	39.29	0.47	-	39.76	15.93	6.10	-	22.03	17.73

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Intangible assets (Contd.)

Particulars	Gross block				Amortisation				Net block	
	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at April 01, 2022	For the year	Deductions	As at March 31, 2023	As at March 31, 2023	
Computer Software	7.77	9.82	-	17.59	4.33	2.23	-	6.56	11.03	
Technical knowhow	21.70	-	-	21.70	6.28	3.09	-	9.37	12.34	
Total	29.47	9.82	-	39.29	10.61	5.32	-	15.93	23.37	

8 INTANGIBLE ASSET UNDER DEVELOPMENT

Particulars	As at April 01, 2023	Additions	Capitalised during the year	As at March 31, 2024	As at April 01, 2022	Additions	Capitalised during the year	As at March 31, 2023
Total	-	7.25	(0.47)	6.78	-	-	-	-

9 FINANCIAL ASSETS- INVESTMENTS

Particulars	March 31, 2024	March 31, 2023
Investment in equity instruments of subsidiaries at cost		
Unquoted equity shares		
229,000 (March 31, 2023: 229,000) equity shares of INR 100 each fully paid- up in EnergySolution Labs Private Limited, India	22.28	22.28
78,600 (March 31, 2023: 78,600) equity shares of EUR 1 each fully paid- up in Dhruv Enterprises Limited, Cyprus*	800.61	647.71
1,500 (March 31, 2023: 1,500) shares of USD 1 each fully paid- up in Sifam Tinslay Instrumentation Inc., USA	31.61	31.61
5,197,000 (March 31, 2023: 1,197,000) equity shares of RMB 1 each fully paid- up in Shanghai VA Instrument Co. Ltd., China	221.24	181.88
Total (equity instruments)	1,075.74	883.48
Aggregate book value of:		
Quoted investments	-	-
Unquoted investments	1,075.74	883.48

*This amount includes INR 152.90 Million Employee stock option plan (ESOP) cost incurred by the Company in relation to ESOP floated to Group CEO. [Refer Note 39(B)]

10 OTHER FINANCIAL ASSETS

Particulars	March 31, 2024	March 31, 2023
Financial instruments carried at amortised cost		
Security Deposits	6.74	4.83
	6.74	4.83
	6.74	4.83

11 OTHER NON-CURRENT ASSETS

Particulars	March 31, 2024	March 31, 2023
Capital advance*	3.77	5.09
Prepaid expense	2.31	0.42
Plan Assets [Refer Note 38]	5.17	5.60
Balance with Government authorities	4.90	4.91
Total other non-current other assets	16.15	16.02

* The estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2024 is INR 46.15 Million (net of advance INR 3.77 Million [March 31, 2023 is INR 9.59 Million (net of advance INR 5.09 Million)])



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

12 INVENTORIES

Particulars	March 31, 2024	March 31, 2023
Raw material (At cost less impairment provision wherever required)	549.42	487.92
Work in progress (At lower of cost and net realisable value)	150.05	111.46
Finished goods (At lower of cost and net realisable value)	153.82	141.84
Stock in Trade (At lower of cost and net realisable value)	5.77	4.47
Store and spares parts including packing material (At cost)	7.21	7.25
	866.27	752.94

Notes

- Raw material Includes goods in transit INR 15.86 Million (March 31, 2023: INR 13.61 Million)
- Finished goods includes goods in transit INR 49.80 Million (March 31, 2023: INR 38.56 Million)
- During the year ended March 31, 2024: INR (15.07) Million [March 31, 2023]: INR 30.95 Million was recognised as expense/ (reversal of expense) for inventories carried at net realisable value & provision for slow-moving & non moving items.
- Refer Note 47 which contains the information of inventory pledged as security.

13 TRADE RECEIVABLE

Particulars	March 31, 2024	March 31, 2023
Secured, considered good	-	-
Unsecured Considered good	299.90	373.11
Receivables which have significant increase in credit Risk	-	-
Less : Allowance for credit impairment on receivables which have significant increase in credit risk	-	-
credit impaired	1.42	2.21
Less : Impairment loss on credit impaired trade receivable	(1.42)	(2.21)
	299.90	373.11
Further classified as:		
Receivable from related parties (Refer Note 41)	65.14	73.70
Receivable from others	234.76	299.42
	299.90	373.11

The movement in allowances for credit impairment is tabulated below

Particulars	March 31, 2024	March 31, 2023
Opening balance	2.21	1.78
Additions	-	0.43
Reversal of excess provision	(0.79)	-
Closing Balance	1.42	2.21

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

March 31, 2024

Particulars	Not Due	Outstanding for following periods from due date of Receipts					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	196.96	100.14	2.80	-	-	-	299.90
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	0.10	0.25	0.18	0.89	1.42
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowance for credit impairment (Disputed + Undisputed)	-	-	(0.10)	(0.25)	(0.18)	(0.89)	(1.42)
	196.96	100.14	2.80	0.00	-	-	299.90

March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of Receipts					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	190.98	178.36	3.77	-	-	-	373.11
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	0.49	0.34	-	1.38	2.21
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowance for credit impairment (Disputed + Undisputed)	-	-	(0.49)	(0.34)	-	(1.38)	(2.21)
	190.98	178.36	3.77	-	-	-	373.11

Notes

- The net carrying value of trade receivables is considered a reasonable approximation of fairvalue.
- Trade receivables are non-interest bearing and have a credit period ranging from 30 to 150 days.
- Refer Note 47 which contains the trade receivable pledged as security.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

14 CASH AND CASH EQUIVALENTS

Particulars	March 31, 2024	March 31, 2023
Balances with banks:		
In current accounts	22.50	3.35
In EEFC accounts	76.15	41.97
Fixed deposits with original maturity of less than 3 months	104.26	2.16
	202.91	47.48

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	March 31, 2024	March 31, 2023
Cash and cash equivalents		
Balances with banks:		
In current accounts	98.65	45.32
Fixed deposits with original maturity of less than 3 months	104.26	2.16
	202.91	47.48

15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Particulars	March 31, 2024	March 31, 2023
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date*	1,010.13	385.92
Balance lying in Escrow Account	23.70	-
	1,033.83	385.92

* Refer Note 47 which contains the information on fixed deposit pledged as security

16 OTHER FINANCIAL ASSETS

Particulars	March 31, 2024	March 31, 2023
Financial instruments at amortised cost		
Security Deposits	30.36	0.38
Interest accrued on fixed deposits	31.42	9.45
Loan to related parties (Refer Note 52(b))	13.34	-
	75.12	9.83

17 CURRENT TAX ASSETS

Particulars	March 31, 2024	March 31, 2023
Advance income tax [net of provision for tax : March 31, 2024 : INR 85.02 Million [(March 31, 2023 : INR 69.02 Million)]	-	8.70
	-	8.70

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

18 OTHER CURRENT ASSETS

Particulars	March 31, 2024	March 31, 2023
Advance recoverable from employees	1.95	3.14
Advance to suppliers	38.92	26.78
Prepaid Expenses	10.06	79.30
Balance with Government authorities	53.35	46.51
	104.28	155.73

19 SHARE CAPITAL

(A) Ordinary Equity shares

Particulars	March 31, 2024	March 31, 2023
Authorised		
4,10,00,000 (March 31, 2023 : 3,01,81,670) Ordinary equity shares of INR 10 each	410.00	301.82
	410.00	301.82
Issued, subscribed and paid up		
38,205,024 (March 31, 2023 : 29,250,400) Ordinary equity shares of INR 10 each	382.05	292.50

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	March 31, 2024		March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	29,250,400	292.50	14,625,100	146.25
Add : Class A Equity shares converted into Ordinary Equity shares	-	-	100	0.00
Add: Issued through Initial Public Offer [Refer Note 67]	1,700,680	17.01	-	146.25
Add: Issue of bonus shares	-	-	14,625,200	-
Add: CCPS converted to equity shares of face value INR 10 each	7,010,278	70.10	-	-
Add: Employee stock option exercised at face value INR 10 each	243,666	2.44	-	-
Outstanding at the end of the year	38,205,024	382.05	29,250,400	292.50

(ii) Rights, preferences and restrictions attached to shares

These shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. They entitle the holders to participate in dividends and dividend, if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(iii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	March 31, 2024		March 31, 2023	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Mr. Narendra Goliya	16,262,098	42.57	16,262,098	55.60
Mrs. Asha N. Goliya	3,000,000	7.85	4,500,000	15.38
Rishabh Family Trust	3,600,000	9.42	3,600,000	12.31
Anushree Family Trust	3,600,000	9.42	3,600,000	12.31
Total	26,462,098	69.26	27,962,098	95.60

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(iv) Details of Shares held by Promoters and Promoter Group at the end of the year

Promoter name	31 March 2024			Remark
	No. Of Shares	% of total shares	% Change during the year from previous year	
Ordinary Shares -				
Mr. Narendra Goliya jointly held with Mrs. Asha Goliya	16,262,098	42.57%	(23.44%)	The holding of promoters has decreased owing to dilution on fresh issue of shares to public through initial public offer, conversion of Compulsory Convertible Preference shares into ordinary shares & selling a part of their stake in IPO through offer for sale.
Mrs. Asha Narendra Goliya jointly held with Mr. Narendra Goliya	3,000,000	7.85%	(48.96%)	
Mr. Rishabh Goliya jointly held with Mr. Narendra Goliya	350,000	0.92%	(64.27%)	
Ms. Anushree Goliya jointly held with Mr. Narendra Goliya	2	0.00%	-	
Rishabh Family Trust	3,600,000	9.42%	(23.44%)	
Anushree Family Trust	3,600,000	9.42%	(23.44%)	
Mohini Goliya	400	0.00%	-	
Total	26,812,500	70.18%		

Promoter name	31 March 2023			Remark
	No. Of Shares	% of total shares	% Change during the year from previous year	
Ordinary Shares -				
Mr. Narendra Goliya jointly held with Mrs. Asha Goliya	16,262,098	55.60%	(24.69%)	The shareholding of promoters have changed on account of transfer of stakes by Mr. Narendra Goliya jointly Held with Mrs. Asha Goliya to Rishabh Family Trust, Anushree Family Trust & Ivaan Foundation.
Mrs. Asha Narendra Goliya jointly held with Mr. Narendra Goliya	4,500,000	15.38%	-	
Mr. Rishabh Goliya jointly held with Mr. Narendra Goliya	750,000	2.56%	-	
Narendra Rishabh Goliya, HUF	517,500	1.77%	-	
Ms. Anushree Goliya jointly held with Mr. Narendra Goliya	2	0.00%	-	
Ivaan Foundation	20,000	0.07%	0.07%	
Rishabh Family Trust	3,600,000	12.31%	12.31%	
Anushree Family Trust	3,600,000	12.31%	12.31%	
Mohini Goliya	400	0.00%	-	
Total	29,250,000	100.00%		

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

(v) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(B) Class A Equity shares

Particulars	March 31, 2024	March 31, 2023
Authorised		
NIL (March 31, 2023 : NIL) Class A equity shares of INR 10 each	-	-
	-	-
Issued, subscribed and paid up		
NIL (March 31, 2023 : NIL) Class A equity shares of INR 10 each	-	-
	-	-

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year	31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	-	-	100	1,000
Add: Issued / (Conversion) during the year	-	-	(100)	(1,000)
Outstanding at the end of the year	-	-	-	-

(ii) Rights, preferences and restrictions attached to shares

These shares were having a par value of INR 10 per share. Shareholders were entitled to differential voting right in accordance with the shareholders agreement. They were entitled to the to preferentially participate in dividends , if any declared is payable in Indian Rupees. In the event of liquidation of the Company, the holders of Class A equity shares were entitled to receive remaining assets of the Company, to the preference over ordinary equity shares. The distribution would have been in accordance with the shareholders agreement. Class A Equity Shares had been converted into ordinary equity shares pursuant to meeting of the board held on September 08, 2022, which had been subsequently approved my members in the Extra Ordinary General Meeting held on September 13, 2022.

(iii) 100% of the Class A equity share were held by SACEF II, who is neither a promoter nor a part of promoter group.

(C) Instruments entirely equity in nature

Authorised		
NIL (March 31, 2023 : 36,06,110) Compulsorily Convertible Preference shares (CCPS) of INR 30 each	-	108.18
Issued, subscribed and paid up		
NIL (March 31, 2023 : 36,06,110) Compulsorily Convertible Preference shares (CCPS) of INR 30 each	-	108.18
	-	108.18

(i) Reconciliation of compulsory convertible preference shares outstanding at the beginning and at the end of the period

	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the period	3,606,110	108.18	3,606,110	108.18
Less : CCPS converted into equity share during the year [Refer note below]	(3,606,110)	(108.18)	-	-
Outstanding at the end of the period	-	-	3,606,110	108.18



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Note

During the current year, pursuant to the Shareholders Agreement of the Company, the Board of Directors in the Board Meeting held on July 24, 2023 approved conversion of CCPS into Ordinary Equity shares of 36,06,110 CCPS at conversion ratio 1:95 (rounded off) which has been approved in the Annual General Meeting held on July 25, 2023.

(ii) Rights, preferences and restrictions attached to shares

the Company had issued 4,307,669 CCPS of INR 30 each fully paid-up at a premium of INR 144.10 per share. CCPS carry cumulative dividend @ 0.001% p.a. the Company declares and pays dividends in Indian rupees. Each holder of CCPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to CCPS.

Each holder of CCPS can opt to convert its preference shares into equity share up to the end of 18th year from the date of issue, viz., September 16, 2013. If the holder exercises its conversion option, the Company will issue one equity share for each preference share held.

If CCPS holders do not exercise conversion option, all CCPS will compulsorily convert into equity shares at the end of 18th year from the date of issue. In the event of liquidation of the Company before conversion/ redemption of CCPS, the holders of CCPS will have priority over equity shares in the payment of dividend and repayment of capital. The Board of Directors in the Board Meeting dated October 23, 2020 had approved a scheme for buyback of CCPS and did buyback of 7,01,559 CCPS at the price of 270.83 per share.

(iii) 100% of the Compulsorily Convertible Preference Shares (CCPS) were held by SACEF II who is neither a promoter nor a part of promoter group.

20 OTHER EQUITY

	March 31, 2024	March 31, 2023
Securities premium	1,070.21	290.71
General reserve	187.05	178.95
Surplus in the Statement of Profit and Loss	1,762.74	1,446.73
Capital Redemption Reserve	24.33	24.33
ESOP Reserve	286.83	91.67
Other Comprehensive Income	(5.17)	(0.73)
Application money received under Employee Stock Option	1.00	-
	3,326.99	2,031.66

(A) Securities premium (SP)	March 31, 2024	March 31, 2023
Opening balance	290.71	436.96
Less: Issue of bonus shares	-	(146.25)
Less: Deferred Tax on Share Issue expense	8.55	-
Add: Conversion of CCPS into Equity	38.09	-
Add: Exercise of ESOP Scheme 2016	42.38	-
Add: Fresh Issue through IPO	732.99	-
Less - Transaction cost on issuance of shares	(42.50)	-
Closing balance	1,070.21	290.71

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

(B) General reserve (GR)	March 31, 2024	March 31, 2023
Opening balance	178.95	174.29
Add : Transfer from Surplus balance in statement of Profit & Loss	8.10	4.67
Closing balance	187.05	178.95
(C) Surplus in the Statement of Profit and Loss	March 31, 2024	March 31, 2023
Opening balance	1,446.73	1,264.64
Less: Transfer to General Reserve	(8.10)	(4.67)
Add: Net Profit for the current year	323.84	186.76
Add: ESOP forfeiture during the year	0.27	-
Less: Appropriations		
Dividend on preference share	-	(0.00)
Transfer to general reserve	-	-
Closing balance	1,762.74	1,446.73
(D) Capital Redemption Reserve	March 31, 2024	March 31, 2023
As at beginning of year	24.33	24.33
Changes during the year	-	-
Closing balance	24.33	24.33
(E) Employee Stock Option Reserve Outstanding	March 31, 2024	March 31, 2023
Opening Balance	91.67	11.82
Add: Expense during the year	54.08	10.68
Add: ESOP through deemed investment in Subsidiary (Refer Note 39B)	152.90	69.17
Less: Exercise during the year	(11.55)	-
Less: forfeiture during the year	(0.27)	-
Closing Balance	286.83	91.67
(F) Other Reserve	March 31, 2024	March 31, 2023
At the beginning of the year	(0.73)	0.01
Remeasurement gains on defined benefit plans [Net of deferred taxes]	(4.44)	(0.74)
Balance at the end of the year	(5.17)	(0.73)
(G) Application money received under Employee Stock Option	March 31, 2024	March 31, 2023
At the beginning of the year	-	-
Add: Application money received pending for allotment*	1.00	-
Balance at the end of the year	1.00	-

* This is amount received for exercise of stock option under ESOP scheme 2022 for which allotment has approved subsequent to balance sheet via Board Resolution dated April 22, 2024.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

21 NON-CURRENT BORROWINGS

Secured

(a) Term loan From Bank

	March 31, 2024	March 31, 2023
Foreign currency term loan (Secured)	41.95	83.21
	41.95	83.21
Less: Current maturities of long term debt	(41.95)	(38.85)
Total non current maturities of long term borrowings	-	44.36

Foreign currency term loan was taken in February, 2020 in EUR from DBS Bank and the same is secured by term deposits of 110% of the facilities sanctioned. The loan carries interest rate of 12 months EURIBOR + 1.50% p.a. and is repayable in quarterly instalments over a period of 5 years starting from September 2020 comprising of 18 equal installments.

The loan was taken for the purpose of acquisition of Subsidiary in China Viz. Shanghai VA Instrument Co. Ltd., China and the same has been utilised for the said purpose.

22 PROVISIONS

	Long term		Short term	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Provision for compensated absences (unfunded)	3.88	3.34	0.87	1.18
Provision for warranties	3.37	2.57	4.09	2.87
Total Provisions	7.25	5.91	4.96	4.05

	March 31, 2024	March 31, 2023
Movement in Provision for warranties		
Opening balance	5.44	5.03
Charged/ (Credited) to statement of profit and loss		
Additional provision recognised	8.10	1.46
unused amount reversed	-	-
Amounts used during the year	(6.08)	(1.05)
Closing balance	7.46	5.44

23 SHORT -TERM BORROWINGS

Particulars	March 31, 2024	March 31, 2023
Secured, from bank, working capital loan (Refer footnote i & ii)		
Cash credit from bank	-	4.53
Foreign currency working capital demand loan	-	118.31
Unsecured, Loans from related parties (Refer footnote iii)	-	9.00
Current Maturity of Long term Debts	41.95	38.85
Total short-term borrowings	41.95	170.69

Footnotes

- (i) Cash credit from State Bank of India is secured primarily by hypothecation of current assets and collateral security by mortgage over certain immovable properties of the Company. Further, the loan has a personal guarantee of the Managing Director of the Company. The cash credit is repayable on demand and carries interest rate varying between 8.27% - 9.55% p.a. As on March 31, 2024, the said facility has a debit balance amounting to INR 6.54 Million.
- (ii) Foreign currency working capital demand loan which was taken in EUR from DBS Bank secured by term deposits of 110% of the facilities sanctioned has been repaid during the current year.
- (iii) Loans from related parties pertain to the loan taken from Ms. Anushree Goliya which has been repaid on 12th March, 2024 with interest of 11% p.a.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

24 TRADE PAYABLES

	March 31, 2024	March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	38.89	53.90
Total outstanding dues of creditors other than micro enterprises and small enterprises*	155.62	213.18
Total trade payables (II)	194.51	267.08

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	March 31, 2024	March 31, 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	38.89	53.90
Interest	0.00	0.08
Total		
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	0.47
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.		
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	0.99	0.99

The amount reported 0.00 is below rounding off threshold limit

* Refer Note 41 for trade payables to related parties.

March 31, 2024

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	0.09	38.57	0.16	0.07	-	38.89
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	6.14	19.27	129.28	0.59	0.06	0.28	155.62
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	6.14	19.36	167.85	0.75	0.13	0.28	194.51

March 31, 2023

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	0.87	52.98	0.05	-	-	53.90
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	12.91	33.78	165.45	0.60	0.44	-	213.18
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	12.91	34.65	218.43	0.65	0.44	-	267.08



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

25 OTHER FINANCIAL LIABILITIES

Particulars	March 31, 2024	March 31, 2023
Interest accrued but not due on loan	0.06	0.27
Payable for purchase of property plant and equipment	5.86	2.72
Employee benefits payable	49.79	43.55
Payable for IPO Expense	16.57	-
Other payables	1.51	1.58
Total other financial liabilities	73.79	48.12

26 OTHER CURRENT LIABILITIES

Particulars	March 31, 2024	March 31, 2023
Statutory due payable	14.48	9.37
Advance from customer	19.48	48.09
Total other current liabilities	33.96	57.46

27 CURRENT TAX LIABILITIES (NET)

Particulars	March 31, 2024	March 31, 2023
Current tax payable net of advance tax amounting to INR 67.75 Million [March 31, 2023 - 77.72 Million]	17.27	-
Total current tax liabilities	17.27	-

28 REVENUE FROM OPERATIONS

Particulars	March 31, 2024	March 31, 2023
Revenue from contracts with customers		-
- Sale of goods	2,116.81	1,865.23
- Sale of services	20.94	25.83
	2,137.75	1,891.06
Other operating revenue		
- Recovery of freight from customers on sale made	65.14	34.90
- Other services	21.24	13.50
- Export Incentives	21.57	20.34
	107.95	68.74
Total revenue from operations	2,245.70	1,959.80

28.01 Disaggregate revenue information

Geographic revenue

Particulars	March 31, 2024	March 31, 2023
Export Sales	1,087.73	915.51
Domestic sales	1,157.97	1,044.29
Total Revenue	2,245.70	1,959.80

Nature of Products	March 31, 2024	March 31, 2023
Electrical automation	161.36	160.13
Metering, Control & Protection Devices	1,705.53	1,499.52
Portable Test and measurement instruments	177.70	168.54
Solar string inverters	72.22	37.04
Total sale from products	2,116.81	1,865.23

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

Nature of Services	March 31, 2024	March 31, 2023
Testing charges & duty charges	20.94	25.83
Total sale of services	20.94	25.83
Timing of Revenue Recognition	March 31, 2024	March 31, 2023
Products and services transferred at a point in time	2,203.52	1,920.47
Products and services transferred over time	42.18	39.33
	2,245.70	1,959.80

29 OTHER INCOME

Particulars	March 31, 2024	March 31, 2023
Interest on fixed deposits designated as amortised cost	50.08	24.04
Interest income on security deposits	0.23	0.16
Interest income on loan given to related party	0.95	-
Foreign exchange gains (net)	3.20	20.92
Commission Income	2.08	1.92
Gain on sale/disposal of property plant and equipment's	0.03	-
Excess provision written back	0.79	-
Miscellaneous income	3.01	3.68
Total other income	60.37	50.72

30A COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Particulars	March 31, 2024	March 31, 2023
Inventory at the beginning of the year	487.92	385.28
Add: Purchases	1,162.55	1,177.29
Less: Inventory at the end of the year	(549.42)	(487.92)
Cost of raw material consumed	1,101.05	1,074.65
Less: Mould development costs capitalised	(9.94)	(11.75)
Total cost of raw material and components consumed	1,091.11	1,062.90

30B Purchase of stock in trade	15.76	17.75
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31 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	March 31, 2024	March 31, 2023
Inventories at the beginning of the year		
-Finished goods	141.84	110.05
-Stock in trade	4.47	2.96
-Work-in-progress	111.46	102.30
	257.77	215.31
Less: Inventories at the end of the year		
-Finished goods	153.82	141.84
-Stock in trade	5.77	4.47
-Work-in-progress	150.05	111.46
	309.64	257.77
Net decrease/ (increase)	(51.87)	(42.46)



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

32 EMPLOYEE BENEFITS EXPENSE

Particulars	March 31, 2024	March 31, 2023
Salaries, wages, bonus and other allowances	359.32	326.10
Contribution to Provident Fund and ESI	14.74	13.51
Employee stock option expense	54.08	10.68
Gratuity expense (Refer Note 38)	3.79	3.53
Staff welfare expenses	8.60	8.63
Less: Mould development costs capitalised (Employee)	(16.58)	(17.29)
Total employee benefits expense	423.95	345.16
	423.95	345.16

33 FINANCE COSTS

Particulars	March 31, 2024	March 31, 2023
Interest on borrowings	3.31	10.07
Interest Expense on lease liability	1.54	0.42
Interest on unsecured loans	0.94	0.99
Interest To Others	0.00	0.08
Exchange difference adjusted to Borrowing Cost	0.90	13.72
Total finance costs	6.69	25.28

Note : The amount reported as 0.00 is below roundoff threshold limit

34 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	March 31, 2024	March 31, 2023
Depreciation (Refer Note 5 of Property, Plant and Equipment)	93.80	90.66
Amortisation (Refer Note 7 of Intangible assets)	6.10	5.32
Total depreciation and amortisation expense	99.90	95.98

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

35 OTHER EXPENSES

Particulars	March 31, 2024	March 31, 2023
Consumption of stores and spares	47.76	40.55
Cost of contract labor	36.35	28.89
Sub-contracting charges	30.35	25.39
Testing Charges	11.38	7.14
Freight and forwarding charges	54.25	54.48
Electricity and water	21.22	19.09
Rent	1.31	0.76
Repairs and maintenance - others	6.59	6.51
Repairs and maintenance - Plant & Machinery	12.40	11.84
Repairs and maintenance - Buildings	5.53	4.40
Rates and taxes	1.47	0.79
Insurance	2.32	2.22
Travel and conveyance	29.06	26.02
Bank Charges	5.82	4.81
Printing & Stationery	0.80	0.55
Communication, broadband and internet expenses	3.89	3.49
Legal and professional charges	14.25	5.75
Auditor's remuneration*	2.32	1.21
Advertisement	8.93	10.54
Commission	0.75	0.47
Loss on sale/disposal of property, plant & equipment's	-	0.03
Warranty cost (net of reversals)	8.10	1.46
Expenditure towards Corporate Social Responsibility (CSR) activities [Refer Note 60]	3.84	3.67
Provision for credit impairment of accounts reeivables	-	0.43
Miscellaneous expenses	6.22	6.46
Total other expenses	314.91	266.95
Less : Mould development costs capitalised (Expenses)	(3.72)	(3.59)
	311.19	263.36

*Note : The following is the break-up of Auditors remuneration (exclusive of Goods and Services Tax (GST))

Auditor's remuneration	March 31, 2024	March 31, 2023
As auditor:		
Statutory audit	1.50	1.20
Limited Review	0.80	-
Reimbursement of expenses	0.02	0.01
Total	2.32	1.21



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

36 INCOME TAX AND DEFERRED TAX

Particulars	March 31, 2024	March 31, 2023
(A) Deferred tax relates to the following:		
Deferred tax assets		
On Expenses provided but allowable in Income Tax on payment basis - Provision for Leave Encashment	1.19	1.14
On Provision for credit impairment on accounts receivable	0.36	0.55
On ESOP Reserve	-	20.38
On IPO Expense	8.56	-
On Lease liability	4.32	-
Total Deferred tax assets	14.43	22.08
Deferred tax liabilities		
a. On Difference between book depreciation and tax depreciation	14.19	19.22
b. On Plan Assets	1.30	1.55
c. On ESOPs for fair valuation on balance sheet date	5.49	17.41
Total Deferred tax liabilities	20.98	38.18
Deferred tax (liability) / asset, net	(6.55)	(16.11)
(B) Reconciliation of deferred tax assets/ (liabilities) (net):	March 31, 2024	March 31, 2023
Opening balance as of April 01, 2023	(16.11)	(29.59)
Deferred (charge) / credit recognised in Statement of Profit and Loss	(0.48)	13.23
On re-measurements gain/(losses) of post-employment benefit obligations	1.49	0.25
Tax (credit) / charge recognised in Securities Premium	8.55	-
Closing balance as at date	(6.55)	(16.11)
(C) Movement in deferred tax assets/ liabilities recognised in Statement of Profit and Loss	March 31, 2024	March 31, 2023
Deferred tax charge/(Credit) on account of difference between book depreciation and tax depreciation	(5.03)	(15.40)
Deferred tax charge/(credit) on expenses allowed on payment basis '-Provision for leave encashment	(0.06)	(0.08)
On Provision for credit impairment on accounts receivable	0.20	(0.04)
On ESOP Reserve	8.46	0.46
On Plan Asset	1.23	1.82
On Lease liabilities	(4.32)	-
	0.48	(13.23)
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(D) Income tax expense		
- Income tax expense	85.02	69.02
- Deferred tax charge / (income)	0.48	(13.23)
	85.50	55.79
(E) Income tax (expense)/Credit charged to OCI		
Net loss/(gain) on remeasurements of defined benefit plans	1.49	0.25
Income tax charged to OCI	1.49	0.25
Reconciliation of tax charge		
Profit before tax	409.34	242.55
Income tax expense at tax rates applicable	103.02	61.05

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Tax effects of items that are not deductible in determining taxable income:		
Impact of Change in tax rate as per new regime	-	(8.13)
Tax on Permanent Difference	1.35	3.13
Deduction on Employee stock option exercised during current period	(24.59)	-
Others	5.71	(0.26)
Actual Tax	85.50	55.79

37 EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars		March 31, 2024	March 31, 2023
Profit attributable to the holders to ordinary shares & instruments entirely equity in nature	A	323.84	186.76
Less: preference dividend after-tax	B	-	0.00
Profit after preference dividend	C = A+B	323.84	186.76
Weighted average number of equity shares for basic EPS	D	37,257,901	36,462,620
Effect of dilution:			
Share options	E	359,265	226,618
Weighted average number of equity shares adjusted for the effect of dilution	F = D+E	37,617,166	36,689,238
Basic earning per share (INR)	G = C/D	8.69	5.12
Diluted earning per share (INR)	H = C/F	8.61	5.09

Options granted to employees under the Employee Option Plan 2022 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. Details relating to the options are set out in note 39.

38 EMPLOYEE BENEFITS

(A) Defined Contribution Plans

Particulars	March 31, 2024	March 31, 2023
During the year, the Company has recognised the following amounts in the Statement of Profit and Loss -		
Employers' Contribution to Provident Funds & ESIC plan [Refer note 32]	14.74	13.51
	14.74	13.51



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(B) Defined benefit plans

a) Gratuity payable to employees

The Company and its operates a defined benefit plan vis. gratuity for its employees which is required by the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least 5 years of service gets a gratuity on departure at 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance Company in the form of qualifying insurance policy [Plan Asset].

The fund is subject to risks such as asset volatility, changes in asset yields and asset liability mismatch risk. In managing the plan assets, the management of the company reviews and manages these risks associated with the funded plan. Each year, the management of the Company reviews the level of funding in the gratuity plan. Such a review includes asset-liability matching strategy and investment risk management policy (which includes contributing to plans that invest in risk-averse markets). The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

Particulars	March 31, 2024	March 31, 2023
i) Actuarial assumptions		
Discount rate (per annum)	7.15%	7.45%
Rate of increase in Salary	7.00%	7.00%
Expected average remaining working lives of employees (years)	21.32	21.58
Attrition rate [based on the age range]	3-4%	4-6%
ii) Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	45.93	41.19
Interest cost	3.43	2.96
Current service cost	4.20	3.83
Benefits paid	(4.61)	(3.86)
Actuarial (gain)/ loss on obligations	5.93	1.80
Present value of obligation at the end of the year	54.88	45.93
Changes in the Fair value of plan assets:		
Balance at the beginning of the year	51.53	45.36
Expected return on plan assets	3.85	3.26
Contributions by employer	9.28	5.72
Benefits paid	(4.61)	(3.62)
Actuarial Gains / (Losses) on the Plan Assets	-	0.81
Balance at the end of the year	60.05	51.53
iii) Expense recognised in the Statement of Profit and Loss		
Current service cost	4.20	3.83
Interest cost	3.43	2.96
Expected return on plan assets	(3.85)	(3.26)
Total expenses recognised in the Statement Profit and Loss	3.79	3.53
iv) Expense recognised in the Other Comprehensive Income		
Re-measurement gains/ (losses) on defined benefit plans	(5.93)	(0.99)
iv) Assets and liabilities recognised in the Balance Sheet:		
Present value of funded obligation as at the end of the year	54.88	45.93
Fair value of Plan Asset at the year end	60.05	51.53
Funded net asset / (liability) recognised in Balance Sheet	5.17	5.60

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
v) The major categories of plan assets of the fair value of the total plan assets are as follows:		
Type of asset: group gratuity scheme of LIC of India		
Fair Value of total plan assets	60.05	51.53
% of total plan assets	100%	100%

vi) Risk Exposure

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. All plan assets are maintained in a trust fund managed by Life Insurance Corporation of India (LIC) who have been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence, 100% liquidity is ensured. Also, interest rate and inflation risk are taken care of.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in higher present value of liabilities. Further, unexpected salary increases provided at the discretion of the management may lead to uncertainties in estimating this increasing risk.

Asset-Liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralise valuation swings caused by interest rate movements. Hence, companies are encouraged to adopt asset-liability management.

vii) A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is as shown below:

Impact on defined benefit obligation

Particulars	March 31, 2024	March 31, 2023
Discount rate*		
1% increase	49.50	41.36
1% decrease	61.17	51.27
Rate of increase in salary**		
1% increase	61.03	51.13
1% decrease	49.53	41.38

*The discount rate is based on the prevailing market yields of Government securities as at the Balance Sheet date for the estimated term of the obligations.

** The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

viii) Maturity profile of defined benefit obligation

Particulars	March 31, 2024	March 31, 2023
1 Year	2.42	2.14
2 to 5 Years	13.22	11.99
6 to 10 Years	24.88	20.00
More than 10 Years	95.48	86.52

39 EMPLOYEE STOCK OPTION SCHEME (ESOP)

- A** The Board vide its resolution dated July 05, 2016 approved ESOP for granting Employee Stock Options in the form of Equity Shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company monitored and supervised by the Board of Directors. The eligible employees, including directors, for the purpose of ESOP 2016 will be determined from time to time.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year.

Particulars	March 31, 2024		March 31, 2023	
	Number	WAEP (INR, Million)	Number	WAEP (INR, Million)
Options outstanding at beginning of year (Vested)	128,031	34.97	128,031	34.97
Add:				
Options granted during the year	-	-	-	-
Less:				
Options exercised during the year	121,833	-	-	-
Options forfeited during the year*	6,198	-	-	-
Options outstanding at the end of year (Vested)	-	-	128,031	34.97
Options outstanding at the end of year (Vested) after bonus issue in the ratio of 1:1	-	-	256,062	17.49
Option exercisable at the end of year	-	-	128,031	34.97
Option exercisable at the end of year after bonus issue in the ratio of 1:1	NA	NA	256,062	17.49

In accordance with the above mentioned ESOP Scheme, INR Nil (March 31 2023 - INR NIL) has been charged to the Statement of Profit and Loss in relation to the options granted. (Refer note 32)

All the options granted pursuant to above scheme have been exercised (except forfeited options on account of not fulfilling the vesting conditions) accordingly no options are outstanding at the year ending on March 31, 2024 (March 31, 2023 2,56,062 options,) and a weighted average contractual life of all options were 1 to 4 Years.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended:

Particulars	March 31, 2024	March 31, 2023
Weighted average fair value of the options at the grant dates (INR)	273.16	273.16
Dividend yield (%)	2.29%	2.29%
Risk free interest rate (%)	7.47%	7.47%
Expected life of share options (years)	4	4
Expected volatility (%)	25.96%	25.96%
Weighted average share price (INR)	442.25	442.25

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

- B** The board vide its resolution dated September 26, 2022 approved ESOP for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period

Particulars	March 31, 2024	March 31, 2023
	Number	Number
Options outstanding at beginning of year:		
Scheme A (Exercise Price: 165)	744,000	-
Scheme B (Exercise Price: 250)	168,000	-
Add:		
Options granted during the year:		
Scheme A (Exercise Price: 165)	-	744,000
Scheme B (Exercise Price: 250)	-	168,000
Less:		
Options exercised during the year	-	-
Options forfeited during the year		
Scheme A (Exercise Price: 165)	-	-
Scheme B (Exercise Price: 250)	-	-
Options outstanding at the end of year:		
Scheme A (Exercise Price: 165)	744,000	744,000
Scheme B (Exercise Price: 250)	168,000	168,000
Option exercisable at the end of year:		
Scheme A (Exercise Price: 165)	186,000	-
Scheme B (Exercise Price: 250)	16,800	-

Scheme A represents ESOP Granted to employee of Subsidiaries

Scheme B represents ESOP Granted to employees of Rishabh Instruments Limited 'The Company'

In accordance with the above mentioned ESOP Scheme B & A, INR 54.08 Million (2022-23 INR 10.68 Million) has been charged to the Statement of Profit and Loss in respective periods in relation to the Employee Stock Option Scheme Compensation. (Refer note 32)

In accordance with the above mentioned ESOP Scheme A, INR 152.90 Million (2022-23 INR 69.17 Million) has been recorded in investment in subsidiary pursuant to IND AS 102 and guidance note thereof.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended:

Vesting year- Scheme A	1st Year 25%	2nd Year 25%	3rd Year 25%	4th Year 25%
Weighted average fair value of the options at the grant dates (INR)	543.31	543.31	543.31	543.31
Compounded Risk-Free Interest Rate (%)	7.02%	7.02%	7.02%	7.02%
Number of periods to Exercise (in years)	1	2	4	4
Expected volatility (%)	38.36%	38.36%	38.36%	38.36%
Weighted average share price (INR)	442.25	442.25	442.25	442.25
Vesting year- Scheme B	1st Year 10%	2nd Year 20%	3rd Year 30%	4th Year 40%



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Weighted average fair value of the options at the grant dates (INR)	483.68	483.68	483.68	483.68
Compounded Risk-Free Interest Rate (%)	7.02%	7.02%	7.02%	7.02%
Number of periods to Exercise (in years)	1	2	4	4
Expected volatility (%)	38.36%	38.36%	38.36%	38.36%
Weighted average share price (INR)	442.25	442.25	442.25	442.25

40 LEASES WHERE COMPANY IS A LESSEE

Company has taken various sales offices from multiple parties on lease, the tenure of lease ranges from 3 to 5 years and one of corporate office in Ahmedabad for period of more than 5 years.

Payments of lease rentals has been made in accordance with the rentals specified in Schedule. Lease liability has been recognised in the books of accounts by company at present value of lease payments and Right of use asset at cost in accordance with the requirements of IND AS 116.

i) Changes in the carrying value of Right-of-use Assets

Particulars	Category of ROU Asset		
	Office Premise	Others	Total
Balance as at March 31, 2022	4.52	0.04	4.56
Additions	2.93	-	2.93
Deletion	-	-	-
Depreciation	(4.14)	(0.04)	(4.18)
Balance as at March 31, 2023	3.31	-	3.31
Additions	18.81	2.16	20.97
Deletion	-	-	-
Depreciation	(7.76)	(0.08)	(7.84)
Balance as at March 31, 2024	14.36	2.08	16.44

ii) Changes in lease liabilities

Particulars	Category of Lease Liabilities		
	Office Premise	Others	Total
Balance as at March 31, 2022	5.62	0.04	5.66
Additions	2.93	-	2.93
Add: Interest expense	0.37	0.05	0.42
Lease payments	(5.46)	(0.04)	(5.50)
Balance as at March 31, 2023	3.46	0.05	3.51
Additions to lease liability	18.81	2.16	20.97
Add: Interest expense	1.22	0.32	1.54
Lease payments	(7.22)	(0.08)	(7.30)
Lease buyout payments	(0.61)	(0.95)	(1.56)
Balance as at March 31, 2024	15.66	1.50	17.16

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

iii) Break-up of current and non-current lease liabilities

Particulars	March 31, 2024	March 31, 2023
Current Lease Liabilities	8.38	1.04
Non-current Lease Liabilities	8.78	2.47
	17.16	3.51

iv) Maturity analysis of lease liabilities

Particulars	March 31, 2024	March 31, 2023
Less than one year	8.38	1.04
One to five years	6.79	1.21
More than five years	1.99	1.26
Total	17.16	3.51

v) Amounts recognised in statement of Profit and Loss account

Particulars	March 31, 2024	March 31, 2023
Interest on Lease Liabilities	1.54	0.42
Depreciation on ROU Assets	7.85	4.18

vi) Amounts recognised in statement of Cash Flows

Particulars	March 31, 2024	March 31, 2023
Total Cash outflow for leases	7.30	5.50

41 RELATED PARTY DISCLOSURES: MARCH 31, 2024

(A) Names of related parties and description of relationship as identified and certified by the Company:

Subsidiary Companies:

Name of the Party	Relationship
Energy Solution Labs Private Limited, India	Subsidiary of the Company
Dhruv Enterprises Limited, Cyprus	Subsidiary of the Company
Sifam Tinsley Instrumentation Inc., United States	Subsidiary of the Company
Shanghai VA Instrument Co. Ltd, China	Subsidiary of the Company
Lubuskie Zaklady Aparatow Elektrycznych LUMEL S.A., Poland	Subsidiary of Dhruv Enterprises Limited, Cyprus
Lumel Alucast Sp. Z.o.o, Poland	Subsidiary of Dhruv Enterprises Limited, Cyprus
Sifam Tinsley Instrumentation Limited, United Kingdom	Subsidiary of Dhruv Enterprises Limited, Cyprus
Lumel Slask, Poland	Subsidiary of Lubuskie Zaklady Aparatow Elektrycznych LUMEL S.A., Poland
Przedsiębiorstwo Wdrozeniowe INMEL Sp. z o.o, Poland	Entity in which Lubuskie Zaklady Aparatow Elektrycznych LUMEL S.A., Poland exercise significant influence [Associate Company]



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Key Management Personnel (KMP):

Mr. Narendra Goliya (Managing Director)
Mr. Dineshkumar Musalekar (Group Chief Executive Officer) (w.e.f June 30, 2023)
Mr. Vishal Kulkarni (Chief Financial Officer)
Mr. Ajinkya Joglekar (Company Secretary)

Relatives of key Management Personnel :

Ms. Anushree Goliya (Daughter of Mr. Narendra Goliya)
Mr. Rishabh Goliya (Son of Mr. Narendra Goliya)
Mrs. Mohini Goliya (Wife of Mr. Rishabh Goliya)

Enterprises owned or significantly influenced by key management personnel, directors or their relatives:

Shanti Instruments Private Limited, India

Other directors :

Mr. P.K.Ramakrishnan (Non-executive Director)
Mr. Rathin Kumar Banerjee (Independent Director)
Mr. Siddharth Bafna (Independent Director)
Mrs. Astha Kataria (Independent Director)
Mr. Lukasz Meissner (Independent Director)

(B) Transactions with related parties as for the year ended March 31, 2024 & March 31, 2023

Particulars	Transactions with Subsidiaries		Transactions with Key management personnel		Transactions with Relatives of key management personnel		Transactions with Enterprises owned or significantly influenced by key management personnel, directors or their relatives/ Other directors	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
A) Transactions during the year								
Sale of manufactured goods								
EnergySolution Labs Private Limited, India	0.63	-	-	-	-	-	-	-
Sifam Tinsley Instrumentation Inc., United States	64.03	64.71	-	-	-	-	-	-
Shanghai VA Instrument Co. Ltd, China	1.25	0.17	-	-	-	-	-	-
Lumel S.A., Poland	57.88	50.24	-	-	-	-	-	-
Sifam Tinsley Instrumentation Limited, United Kingdom	54.39	47.71	-	-	-	-	-	-
Lumel Alucast Sp. Z.o.o, Poland	-	7.63	-	-	-	-	-	-
Shanti Instruments Private Limited, India	-	-	-	-	-	-	11.04	8.86
Sale of traded goods								
Shanghai VA Instrument Co. Ltd, China	1.19	-	-	-	-	-	-	-
Lumel S.A., Poland	1.06	0.19	-	-	-	-	-	-
EnergySolution Labs Private Limited, India	-	1.59	-	-	-	-	-	-
Shanti Instruments Private Limited, India	-	-	-	-	-	-	-	0.07
Sale of Services								
EnergySolution Labs Private Limited, India	0.23	0.48	-	-	-	-	-	-

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Transactions with Subsidiaries		Transactions with Key management personnel		Transactions with Relatives of key management personnel		Transactions with Enterprises owned or significantly influenced by key management personnel, directors or their relatives/ Other directors	
Sifam Tinsley Instrumentation Inc., United States	0.34	0.14	-	-	-	-	-	-
Shanghai VA Instrument Co. Ltd, China	0.47	0.31	-	-	-	-	-	-
Lumel S.A., Poland	7.04	2.71	-	-	-	-	-	-
Lumel Alucast Sp. Z.o.o, Poland	15.21	11.04	-	-	-	-	-	-
Sifam Tinsley Instrumentation Limited, United Kingdom	0.22	0.13	-	-	-	-	-	-
Shanti Instruments Private Limited, India	-	-	-	-	-	-	0.65	0.27
Commission Income								
Shanti Instruments Private Limited, India	-	-	-	-	-	-	2.08	1.92
Miscellaneous Income								
2023-24								
EnergySolution Labs Private Limited, India	0.27	-	-	-	-	-	-	-
Purchase of raw materials, components and traded goods								
EnergySolution Labs Private Limited, India	5.71	8.09	-	-	-	-	-	-
Lumel S.A., Poland	11.49	12.51	-	-	-	-	-	-
Sifam Tinsley Instrumentation Limited, United States	-	1.67	-	-	-	-	-	-
Shanghai VA Instrument Co. Ltd, China	-	0.39	-	-	-	-	-	-
Sifam Tinsley Instrumentation Limited, United Kingdom	0.04	-	-	-	-	-	-	-
Shanti Instruments Private Limited, India	-	-	-	-	-	-	9.01	2.33

(B) Transactions with related parties as for the year ended March 31, 2024 & March 31, 2023

Particulars	Transactions with Subsidiaries		Transactions with Key management personnel		Transactions with Relatives of key management personnel		Transactions with Enterprises owned or significantly influenced by key management personnel, directors or their relatives/ Other directors	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Lease Payments								
Narendra Goliya	-	-	2.99	2.99	-	-	-	-
Shanti Instruments Private Limited, India	-	-	-	-	-	-	0.18	0.16



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Transactions with Subsidiaries		Transactions with Key management personnel		Transactions with Relatives of key management personnel		Transactions with Enterprises owned or significantly influenced by key management personnel, directors or their relatives/ Other directors	
Interest expense								
Anushree Goliya	-	-	-	-	0.94	0.99	-	-
Managerial remuneration								
Narendra Goliya	-	-	16.28	21.16	-	-	-	-
Vishal Kulkarni	-	-	1.91	1.52	-	-	-	-
Ajinkya Joglekar	-	-	0.61	0.37	-	-	-	-
Dinesh Musalekar	-	-	5.21	-	-	-	-	-
Legal and professional fees & sitting fee								
Narendra Goliya	-	-	-	-	-	-	1.78	-
Ramkrishnan	-	-	-	-	-	-	0.60	0.40
Employee benefit expenses								
Rishabh Goliya	-	-	-	-	1.76	1.56	-	-
Mohini Goliya	-	-	-	-	0.85	0.97	-	-
Loan Repayment								
Anushree Goliya	-	-	-	-	9.00	-	-	-
Investment in equity instruments								
Shanghai VA Instrument Co. Ltd, China	39.36	73.80	-	-	-	-	-	-
Lumel S.A., Poland*	76.45	34.55	-	-	-	-	-	-
Lumel Alucast., Poland*	76.45	34.55	-	-	-	-	-	-
Loan given								
Shanghai VA Instrument Co. Ltd, China	12.32	-	-	-	-	-	-	-

*Investment in equity instruments represents

ESOP apportionment recorded for Options of Rishabh Instruments Limited Granted to Employee of Subsidiaries Company.

The Company had given corporate guarantee of it's Shanghai VA Instruments Co. Limited China to the lender bank. The outstanding amount of corporate guarantee is ₹ 39.65 million [USD 0.47 million] (31st March, 2023 ₹ 39.07 million)

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Subsidiaries		Key management personnel		Relatives of key management personnel		Enterprises owned or significantly influenced by key management personnel, directors or their relatives/ Other directors	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
(C) Closing balances as at the end of the year								
Trade Receivables								
EnergySolution Labs Private Limited, India	1.30	0.23	-	-	-	-	-	-
Sifam Tinsley Instrumentation Inc., United States	6.93	26.15	-	-	-	-	-	-
Shanghai VA Instrument Co. Ltd, China	2.98	0.34	-	-	-	-	-	-
Lumel S.A., Poland	34.93	25.84	-	-	-	-	-	-
Lumel Alucast Sp. Z.o.o, Poland	4.40	1.77	-	-	-	-	-	-
Sifam Tinsley Instrumentation Limited, United Kingdom	11.50	10.27	-	-	-	-	-	-
Shanti Instruments Private Limited, India	-	-	-	-	-	-	3.09	9.11
Trade Payables								
Lumel S.A., Poland	0.90	2.08	-	-	-	-	-	-
Sifam Tinsley Instrumentation Limited, United Kingdom	0.04	0.28	-	-	-	-	-	-
EnergySolution Labs Private Limited, India	-	1.17	-	-	-	-	-	-
Shanti Instruments Private Limited, India	-	-	-	-	-	-	1.66	0.00
Un-seured loan	-	-	-	-	-	9.00	-	-
Trade advance								
Shanghai VA Instrument Co. Ltd, China	23.24	8.38	-	-	-	-	-	-
remuneration payable								
Narendra Goliya	-	-	1.11	1.11	-	-	-	-
Vishal Kulkarni	-	-	0.38	0.12	-	-	-	-
Ajinkya Joglekar	-	-	0.09	0.04	-	-	-	-
Dinesh Musalekar	-	-	1.04	-	-	-	-	-
Employee Benefit payable								
Rishabh Goliya	-	-	-	-	0.31	0.28	-	-
Mohini Goliya	-	-	-	-	0.22	0.23	-	-
Loan Amount outstanding								
Shanghai VA Instrument Co. Ltd, China	13.34	-	-	-	-	-	-	-



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. The managing director Mr. Narendra Goliya has given personal guarantee for working capital borrowings from SBI. For the period ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

42 SEGMENT REPORTING

The Company's operations predominantly relate to manufacturing & supply of digital and analog electrical measuring meters & special purpose switches. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. In accordance with IND AS 108, 'Operating Segments', the company has presented the segment information on consolidated basis in its consolidated financial statements.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments. The Company have certain debt obligations with floating interest rates.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 & March 31, 2023.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations and provisions.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Interest Rate Sensitivity	Increase/ (decrease) in basis points	Effect on profit before tax
2023-24	100	1.36
	(100)	(1.36)
2022-23	100	3.09
	(100)	(3.09)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and borrowings of the Company.

Nature of Exposure	Currency	March 31, 2024		March 31, 2023	
		Amount in F.C.	Amount in INR	Amount in F.C.	Amount in INR
Trade Receivables	USD	0.86	70.93	0.81	65.99
	EUR	0.73	64.56	1.40	123.17
	GBP	0.11	11.80	0.09	9.46
Trade Payables	USD	0.30	24.88	0.76	63.10
	EUR	0.03	2.78	0.05	4.44
	GBP	0.00	0.06	0.00	0.00
Borrowings	EUR	0.46	41.95	2.22	201.91
EEFC	USD	0.92	75.86	0.51	41.89
	EUR	0.00	0.29	0.00	0.08

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the USD, EUR, GBP, exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

Sensitivity

Year	Change in USD rate	Effect on profit before tax In Rs
March 31, 2024	5%	5.58
	(5%)	(5.58)
March 31, 2023	5%	2.22
	(5%)	(2.22)



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Year	Change in EUR rate	Effect on profit before tax In Rs
March 31, 2024	5%	1.00
	(5%)	(1.00)
March 31, 2023	5%	(4.16)
	(5%)	4.16

Year	Change in GBP rate	Effect on profit before tax In Rs
March 31, 2024	5%	0.59
	(5%)	(0.59)
March 31, 2023	5%	0.47
	(5%)	(0.47)

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, and statutory deposits with regulatory agencies.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed taking into account their financial position, past experience and other factors. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in note 13. The Company does not hold collateral as security. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The company uses expected credit loss model to assess the impairment loss.

Expected credit loss table:	loss			Total
	Up to 1 Year	1 to 2 Year	2 Year & More	
Particulars				
March 31, 2024				
ECL rate	0.03%	100.00%	100.00%	0.47%
Estimated total gross carrying amount at default	300.01	0.25	1.07	301.33
Expected credit loss	0.10	0.25	1.07	1.42
Net carrying amount	299.91	-	-	299.91

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Up to 1 Year	1 to 2 Year	2 Year & More	Total
March 31, 2023				
ECL rate	0.13%	100.00%	100.00%	0.59%
Estimated total gross carrying amount at default	373.60	0.34	1.38	375.32
Expected credit loss	0.49	0.34	1.38	2.21
Net carrying amount	373.11	-	-	373.11

Reconciliation of impairment allowance on trade receivables:

Particulars	March 31, 2024	March 31, 2023
Opening Balance	2.21	1.78
Add: Provision for expected credit losses during the year	0.00	0.43
Less Reversal of Provision for expected credit losses during the year	(0.79)	-
Closing Balance	1.42	2.21

Term deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's Policy. The investment of surplus funds is made in fixed deposits which are approved by the Director. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2021, March 31, 2020 & April 01, 2022 is the carrying amount illustrated in Note 10, Note 14, & Note 15.

(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. The Management believes that the probability of a liquidity risk arising due to fee refund is not there.

The table below summarises the maturity profile of the Company's financial liabilities:

March 31, 2024	less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings	41.95	-	-	41.95
Lease payables	8.38	6.79	1.99	17.16
Trade payables	194.51	-	-	194.51
Other financial liability	73.79	-	-	73.79
	318.63	6.79	1.99	327.41
March 31, 2023	less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings	170.69	-	-	170.69
Long-term borrowings	-	44.36	-	44.36
Lease payables	1.04	1.21	1.26	3.51
Trade payables	267.08	-	-	267.08
Other financial liability	48.12	-	-	48.12
	486.93	45.57	1.26	533.76



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

44 FAIR VALUE MEASUREMENT

Financial Instruments by Category:

Financial Asset	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Security Deposit (Current + Non Current)	37.10		-	5.21
Trade receivables	299.90		-	373.11
Cash and cash equivalents	202.91		-	47.48
Bank balances other than cash and cash equivalent	1,033.83		-	385.92
Interest accrued on fixed deposits	31.42		-	9.45
Other financial asset	13.34			-
Total Financial Asset	1,618.50		-	821.17
Financial Liabilities	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Borrowings (including current maturities of long term borrowings and short term borrowings)	-	41.95	-	215.05
Trade Payable	-	194.51	-	267.08
Interest accrued	-	0.06	-	0.27
Payable for capital purchases	-	5.86	-	2.72
Lease Liabilities	-	17.16	-	3.51
Employee Benefits Expenses Payable	-	49.79	-	43.55
Payable for IPO Expenses	-	16.57		-
Other Payable	-	1.51	-	1.58
Total Financial Liabilities	-	327.41	-	533.76

45 FAIR VALUE HIERARCHY

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(a) No financial assets/liabilities have been designated at FVTPL.

(b) Fair Value of financial assets and liabilities measured at amortised cost

The fair value of other current financial assets, cash and cash equivalents, trade receivables, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortised cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits and of non current financial liabilities consisting of borrowings and lease liability are not significantly different from the carrying amount.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

46 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and to ensure the Company's ability to continue as a going concern.

the Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents, term loan & other loans and current borrowing represent cash credit, loan from related party & working capital loan. the Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars		March 31, 2024	March 31, 2023
Equity share Capital		382.05	292.50
Instruments entirely equity in nature		-	108.18
Other Equity		3,326.99	2,031.66
Total equity	(i)	3,709.04	2,432.34
Borrowings and lease liabilities		59.11	218.56
Less: cash and cash equivalents		(202.91)	(47.48)
Total debt	(ii)	(143.78)	171.08
Overall financing	(iii) = (i) + (ii)	3,565.25	2,603.42
Gearing ratio	(ii)/ (iii)	(0.04)	0.07

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

47 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars		March 31, 2024	March 31, 2023
Current assets			
Inventories		866.27	752.94
Trade receivables		299.90	373.11
Fixed deposits with DBS Bank	(i)	231.49	292.29
Total Current assets pledged as security		1,397.66	1,418.34
Non-Current assets	(iii) = (i) + (ii)		
Land and building	(ii)/ (iii)	5.86	5.96
Total Non-Current assets pledged as security		5.86	5.96
Total Assets pledged as security		1,403.52	1,424.30

Sanctioned limit with State Bank of India has been secured by hypothecation of first charge on stock-in-trade, present and future, consisting of raw materials, goods in process of manufacturing finished goods, and other merchandise whatsoever being movable properties and all the debts, that is, all the book debts, outstandings, monies receivables, claims, bills, invoice documents, contracts, guarantees, and rights which are now due and owing or which may at any time hereafter during the continuance of this security becomes due and owing to the Company. The loan is also supported by first charge by way of an equitable mortgage of industrial land and building (by deposit of title deeds).

Company has also taken a EURO loan from DBS Bank India for acquisition of Investment in a Subsidiary in China, Such loan is secured by way of Fixed Deposits held with such bank amounting to INR 231.49 Million.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

48 COMMITMENTS

Particulars	March 31, 2024	March 31, 2023
- The estimated amount of contracts remaining to be executed on capital account and not provided for as at	42.38	4.50
	42.38	4.50

49 CONTINGENT LIABILITIES

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. Following are the conytingentliability as at Balance Sheet Date.

Particulars	March 31, 2024	March 31, 2023
A Demand notice raised by provident fund authorities for the period 2006-09 for provident fund payable on trainees' stipend	6.08	6.08
B Company has issued corporate guarantee of its wholly owned subsidiary Shanghai VA Instruments Co. Limited China to Lender bank DBS Bank China through DBS Bank India. [Borrowings outstanding in the books of subsidiary is INR 31.29 Million for as on March 31, 2024. (25.71 Million for the Financial year ended March 31, 2023)]	39.65	39.07
C The Company has received legal demand notice from Ambit Energy Private Limited (the "Customer") dated April 18, 2022, through the legal counsel of the Customer claiming INR 65.80 Million towards failure to resolve technical faults and errors in inverters supplied by the Company to the Customer and towards commercial as well as potential business generation loss and Goodwill.	65.80	65.80
The Company replied to the legal counsel of the Customer vide its letter dated May 11, 2022, rejecting all the claims of the Customer stating it to be unjust, illegal and with malicious intention. Further the matter is posted in District court mediation Center, Rajkot for pre-mediation. The pre-mediation request has been refused by RISHABH because the financial claim by Complainant is malicious and with the intention to arm-twist RIPL to extract money fraudulently. RIPL has been providing and continues to provide all under warranty services till date. Last hearing dated was March 27, 2024 in which the Company has filed objections against the plaintiff.		

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

50 CAPITAL-WORK-IN PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT

Capital-Work-in Progress

(a) Ageing schedule

March 31, 2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9.04			-	9.04
Projects temporarily suspended	-	-	-	-	-

March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.36			-	3.36
Projects temporarily suspended	-	-	-	-	-

(b) There are no projects as Capital Work in Progress as at March 31, 2024 and March 31, 2023, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

Intangibles under development

(a) Ageing schedule

March 31, 2024

(d) Intangible asset under development	Intangibles amount under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6.78	-	-	-	6.78
Projects temporarily suspended	-	-	-	-	-

(b) There are no projects as Intangibles under development as at March 31, 2024 and March 31, 2023, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

51 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 5 to the financial statements, are held in the name of the Company.

52 Details of loans given, investment made and guarantee given covered u/s 186(4) of the Companies Act, 2013

(a) Investments made by the Company

Sr. No.	Name of the Company	Investment made during current year	Balance as at March 31, 2024	Investment made during previous year	Balance as at March 31, 2023
1	Shanghai VA Instruments Co.Ltd	39.36	221.24	-	181.88

(b) Loans given by the Company

Sr. No.	Name of the Company	Rate of Interest	Due Date	Secured/unsecured	Purpose of Loan	March 31, 2024	March 31, 2023
1	Shanghai VA Instruments Co.Ltd	LIBOR +200 basis points	October 05, 2024	Unsecured	Working Capital Requirement	12.32	-



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

53 DISCLOSURE ON BENAMI PROPERTY HELD

The Company does not have any property, where any proceeding has been initiated or pending against the company for holding any Benami property.

54 RECONCILIATION OF QUARTERLY RETURNS OR STATEMENTS OF CURRENT ASSETS FILED WITH BANKS

March 31, 2024

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Remarks
June 01, 2023	State Bank of India	Trade Receivables	303.14	454.54	(151.41)	The difference is due to the submission to the Banks were made before financial reporting closure process. [In the quarterly statement, the Company reports trade receivables that are outstanding for less than 90 days and trade payables excluding provisions for expenses. Consequently, the books reflect amounts to that extent only.]
		Trade Payables	238.10	164.43	73.67	
		Inventories	778.83	732.60	46.23	
September 01, 2023	State Bank of India	Trade Receivables	331.68	369.22	(37.54)	
		Trade Payables	214.00	100.99	113.01	
		Inventories	793.96	787.30	6.66	
December 01, 2023	State Bank of India	Trade Receivables	232.74	289.91	(57.17)	
		Trade Payables	172.44	275.26	(102.82)	
		Inventories	870.10	852.70	17.40	
March 01, 2024	State Bank of India	Trade Receivables	281.37	362.50	(81.13)	
		Trade Payables	188.37	119.40	68.97	
		Inventories	866.27	783.80	82.47	

March 31, 2023

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Remarks
June 01, 2022	State Bank of India	Trade Receivables	326.41	326.41	0.00	The difference is due to the submission to the Banks were made before financial reporting closure process. [In the quarterly statement, the Company reports trade receivables that are outstanding for less than 90 days and trade payables excluding provisions for expenses. Consequently, the books reflect amounts to that extent only.]
		Trade Payables	175.12	177.71	(2.59)	
		Inventories	615.99	577.17	38.83	
September 01, 2022	State Bank of India	Trade Receivables	313.15	371.88	(58.73)	
		Trade Payables	290.99	221.74	69.25	
		Inventories	755.15	679.03	76.12	
December 01, 2022	State Bank of India	Trade Receivables	345.52	345.52	0.00	
		Trade Payables	180.15	178.25	1.90	
		Inventories	675.12	675.12	0.00	
March 01, 2023	State Bank of India	Trade Receivables	373.11	410.50	(37.40)	
		Trade Payables	251.59	206.63	44.96	
		Inventories	752.94	652.25	100.70	

55 RELATIONSHIP WITH STRUCK OFF COMPANIES UNDER SECTION 248 OF THE COMPANIES ACT, 2013 OR SECTION 560 OF COMPANIES ACT, 1956

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

56 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

57 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

the Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

58 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has not entered into any scheme of arrangement

59 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- 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
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- 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,

60 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are charity to educational institute, animal welfare, social welfare etc. A CSR committee has been formed by the Company as per the Act. The funds are utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

A	Particulars	March 31, 2024	March 31, 2023
	Gross Amount required to be spent as per Section 135 of the Act	3.84	3.35
	Add: Amount Unspent from previous years	-	-
	Total Gross amount required to be spent during the year	3.84	3.35
B	Amount approved by the Board to be spent during the year	7.18	3.67
C	Amount spent during the year on		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above	7.18	3.67

D Details related to amount spent

Particulars	March 31, 2024	March 31, 2023
Contribution to Charitable Trust	7.18	3.67
TOTAL	7.18	3.67

E Details of excess CSR expenditure

Nature of Activity	Balance excess as at April 01, 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2024*
Contribution to Charitable Trust	-	3.84	7.18	3.34

* Excess CSR balane has been transferred to prepared expense to claim in subsequent year.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

61 RATIO ANALYSIS

S No.	Ratio	Formula	Particulars		Ratio as on March 31, 2024	Ratio as on March 31, 2023	Variation (In %)	Reason (If variation is more than 25%)
			Numerator	Denominator				
(a)	Current Ratio	Current Assets / Current Liabilities	Current Asset	Current Liabilities	6.89	3.16	117.94%	Current ratio has increased on account of following: Other bank balances has increased due to unutilised IPO balance INR 23.70 Crores. Fixed Deposit has increased - majorly consists of INR 63 Crores FD with respect to IPO proceeds.
(b)	Debt-Equity Ratio	Debt / Equity	Debt = All borrowings & Lease liabilities	Shareholder's Equity	0.02	0.09	-82.27%	"Debt equity ratio has decrease on account of following 1. Equity has increased owing to new shares have been issued through initial public offer during the current year 2. Borrowings have reduced on account of repayment as per schedule of repayments. 3. Short term borrowings like CC has a Debit balance and the same has been presented under Cash & Cash equivalents, and WCDD has been closed in current year.
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Repayments of borrowings, Interest payments & Lease payments.	7.82	4.39	78.39%	The debt service coverage ratio has increased current year as the Net Operating Income of the Company has increased mainly on account of increase in sales, increase in other income, savings in payroll costs and savings in other expense.
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	8.73%	7.68%	13.71%	
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	Average Inventory	1.30	1.52	-14.54%	
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Revenue from Operations	Average Trade Receivables	6.67	6.78	-1.61%	
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Purchases	Average Trade Payables	5.11	4.77	6.94%	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

S No.	Ratio	Formula	Particulars		Ratio as on March 31, 2024	Ratio as on March 31, 2023	Variation (In %)	Reason (If variation is more than 25%)
			Numerator	Denominator				
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue from Operations	Average Working Capital	1.32	1.80	-26.31%	Decrease due to increase in average working capital higher than increase in revenue mainly average working capital is increased due to increase in inventory, trade receivable & IPO money parked in Short term deposits with bank.
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Revenue from operations	14.42%	9.53%	51.33%	Net profit ratio has increased current year since the net profit of the Company has increase by INR 137.08 Million in current financial year mainly on account of increase in Sales prices, decrease in raw material prices, Increase in other Income and savings in payroll costs.
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	0.11	0.11	4.12%	
(k)	Return on Investment	Interest income on investment/average investment	Interest income on investment (Fixed Deposit)	Average investment (Fixed Deposit)	6.67%	6.19%	7.63%	



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

62 WILFUL DEFAULTER

The Company has not being declared as wilful defaulter by any bank or financials institution or any government authority.

63 UNDISCLOSED INCOME

The Company do not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

64 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

65 COMPLIANCE WITH SECTION 143 (3) FOR MAINTENANCE OF BOOKS OF ACCOUNT

With effect from August 05, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Indian Companies including foreign branches is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis. The Company have a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account.

66 DISCLOSURE PURSUANT TO SCHEDULE V READ WITH REGULATIONS 34(3) AND (53F) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

(A) Amount of loans/advances in the nature of loans outstanding from subsidiaries as at 31st March, 2024:

Name of Company	Balance as at		Maximum outstanding	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
To Subsidiary Companies				
Shanghai VA Instruments Co.Ltd	13.34	-	13.34	-

(B) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Nil (other than subsidiaries as mention above)

(C) Investments by the loanee in the shares of parent company and subsidiary company, when the Company has made a loan or advance in the nature of loan as at March 31, 2024 Nil, March 31, 2023 Nil.

67 IPO EVENT & UTILISATION OF MONEY RAISED THROUGH PUBLIC ISSUE.

The Company has completed an Initial Public Offer ('IPO') of 1,11,28,858 shares at the face value of INR 10 each at the issue price of INR 441 per share, comprising of offer for sale 94,28,178 shares by Selling Shareholders and fresh issue of 17,0016,680 shares aggregating to INR 4907.83 Million. The equity shares of the company were listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') on September 11, 2023.

Accordingly, the Company has raised INR 750.00 Million through public issue of fresh equity shares, mainly with an objective of financing the cost towards the expansion of Nashik Manufacturing Facility I and for general corporate purposes. The Company has estimated to incur expenses aggregating INR 42.50 Million towards the initial public offering for issue of fresh equity shares. Given below are the details of utilisation of proceeds raised through public issue during the year ended March 31, 2024.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	March 31, 2024
Unutilised amount at the beginning of the year	-
Amount raised through public issue	750.00
Less - Share Issue Expenses relating to fresh offer	(42.50)
Net IPO Proceeds available for utilisation	707.50
Less: amount utilised during the year	
Payment towards financing the cost of Nashik Manufacturing Facility I	1.18
Payment towards general corporate purpose	76.31
Add: Interest Received on Utilised funds & Others	
Add: Interest received on funds re-invested during the year	22.77
Amount Un-utilised at the year end	652.78

Details of short-term investments made from unutilised portion of public issue raised during the year ended March 31, 2024:

Particulars	March 31, 2024
Balance amount in current account	0.00
Investment in fixed deposits of banks	652.77
	652.77

Note: Amount reported as 0.00 is below rounding off threshold

68 EVENTS AFTER THE REPORTING PERIOD

No Significant Subsequent events have been observed which may require an adjustments to the financial statements.

69 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

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

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

Nitin Manohar Jumani
Partner
Membership No: 111700

Place: Pune
Date: May 29, 2024

For and on behalf of the Board of Directors of
Rishabh Instruments Limited (Formerly known as Rishabh Instruments Private Limited)
CIN:L31100MH1982PLC028406

Narendra Goliya
Director
DIN: 00315870

Place: Nashik
Date: May 29, 2024

P.K.Ramakrishnan
Director
DIN: 00304272

Place: Nashik
Date: May 29, 2024

Ajinkya Joglekar
Company Secretary
Membership No: A57272

Place: Nashik
Date: May 29, 2024

Vishal Kulkarni
Chief Financial Officer

Place: Nashik
Date: May 29, 2024



INDEPENDENT AUDITOR'S REPORT

To the Members of **Rishabh Instruments Limited** (Formerly known as Rishabh Instruments Private Limited)

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Rishabh Instruments Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company, and its subsidiaries together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries 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 prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associate

as at March 31, 2024, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs 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 ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2024. 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. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Impairment of Goodwill</p> <p>Refer Note 9 to the consolidated financial statements.</p> <p>The Group has carrying value of Goodwill amounting to INR. 220.92 millions as on March 31, 2024, which represents 2.83% of the total asset of the Group. The group performed its annual impairment test of goodwill and has provided for impairment amount to INR. Nil Millions.</p> <p>The carrying value of Goodwill is tested annually for impairment provision by reference to value in use. In determining the value in use of the business unit, the Group has applied judgment in estimating future revenues, profitability cash flow, growth rate and discount rates.</p>	<p>Our procedure included, but not limited to the following:</p> <ol style="list-style-type: none"> 1. Obtained an understanding of the Group's policy on assessment of impairment of Goodwill and the key assumption used by the Management, including design and implementation of controls over preparation of annual budgets and future forecasts for business units and the approach followed for annual impairment and validation of Management review controls. 2. Tested the operating effectiveness of the controls over process of preparation of annual budgets and future forecasts for business units and the approach followed for annual impairment. 3. Obtained the and reviewed valuation report issued by the Holding Company's independent valuations experts, and assessed the expert's competence, capability and objectivity.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	Due to the significance of the carrying value of goodwill and impairment provision thereon, and high degree of management judgments & estimation uncertainty involved in performing impairment testing & provisioning, we have identified provision for impairment of goodwill as a key audit matter	<ol style="list-style-type: none"> 4. Assessed the appropriateness of the valuation methodology applied and reasonableness of the assumptions used i.e. the discount rate and long-term growth rates used in the forecast. 5. Verified completeness, arithmetical accuracy and validity of the data used in the calculations. 6. Assessed reasonableness of the future revenue and margins projections, by reviewing the historical accuracy of the Group's estimates and its ability to produce accurate long-term forecasts. 7. Assessed the Holding Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in carrying value of Goodwill. 8. Evaluated the appropriateness and adequacy of disclosures given in the consolidated financial statements, including disclosure of significant assumptions and judgements, in accordance with applicable Indian Accounting Standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the consolidated financial statements and our auditor's report thereon. The Director's 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 Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGE WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS.

The Holding Company's Board of Directors is responsible

for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the Group and its



INDEPENDENT AUDITOR'S REPORT (Contd.)

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 intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associate are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

OTHER MATTERS

- a. We did not audit the financial statements of five (5) subsidiaries, whose financial statements reflect total assets of Rs. 1425.50 million as at March 31, 2024, total revenues of Rs. 521.78 million and net cash flows amounting to Rs. 17.48 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- b. We did not audit the financial statement of one (1) subsidiary whose financial statements reflect total assets of Rs. 121.29 million as at March 31, 2024, total revenues of Rs. 428.67 million and net cash flows amounting to Rs. 2.03 million 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 loss (including other comprehensive income) of Rs. 0.15 million for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of one (1) associate, whose financial information have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, this financial statements are not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Separate Financial Statements of the subsidiary, referred to in the Other Matters section above we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 1(h)(vi) below on reporting under Rule 11(g).
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 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 1(b) above on reporting under Section 143(3)(b) and paragraph 1(h)(vi) below on reporting under Rule 11(g).
- g. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 - Refer Note 50 to the consolidated financial statements.
 - ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.
 - iv. 1. The respective Managements of the Holding Company and its subsidiary,

which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary, respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2. The respective Managements of the Holding Company and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
3. Based on the audit procedures that have been considered reasonable



INDEPENDENT AUDITOR'S REPORT (Contd.)

and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary which is a company incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

- v. The Company has neither declared nor paid any dividend during the year.
- vi. Based on our examination, the Holding Company has used an accounting software for maintaining its books of account during the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, except that audit trail feature was not enabled at the database level during the year ended March 31, 2024 to log any direct data changes. Further, the audit trail feature has been operated throughout the year for all relevant transactions recorded in the accounting software, except for the software at the database level as stated above, in respect of which the audit trail feature has not operated throughout

the year for all the relevant transactions recorded in this accounting software during the year ended March 31, 2024. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder except in case of (1) subsidiary, as the provisions of the aforesaid section is not applicable to private company.
3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of subsidiaries, associates included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Nitin Manohar Jumani
Partner
Membership No. 111700
UDIN: 24111700BKAILB6036

Place: Pune
Date: May 29, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RISHABH INSTRUMENTS LIMITED (FORMERLY KNOWN AS RISHABH INSTRUMENTS PRIVATE LIMITED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

- Identify and assess the risks of material misstatement of the 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 consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 the 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 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2024 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



INDEPENDENT AUDITOR'S REPORT (Contd.)

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.

Place: Pune
Date: May 29, 2024

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Nitin Manohar Jumani
Partner
Membership No. 111700
UDIN: 24111700BKAILB6036

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RISHABH INSTRUMENTS LIMITED (FORMERLY KNOWN AS RISHABH INSTRUMENTS PRIVATE LIMITED)

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Rishabh Instruments Limited on the consolidated Financial Statements for the year ended March 31, 2024]

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

OPINION

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Rishabh Instruments Limited (hereinafter referred to as "the Holding Company") which includes the internal financial controls over financial reporting of the Holding Company and its subsidiary company (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

MANAGEMENT AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Management and the Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and

efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matter paragraph below, 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 company, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to



ANNEXURE B (Contd.)

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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 the internal financial control 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.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one (1) subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditor of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For **M S K A & Associates**

Chartered Accountants
ICAI Firm Registration No. 105047W

Nitin Manohar Jumani

Partner

Membership No. 111700
UDIN: 24111700BKAILB6036

Place: Pune

Date: May 29, 2024

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Non-current assets			
(a) Property, Plant and Equipment	5	2,395.88	1,925.97
(b) Capital work-in-progress	6	123.91	76.15
(c) Goodwill	9	220.92	213.42
(d) Other intangible assets	7	34.39	52.71
(e) Intangible assets under development	8	48.66	-
(f) Financial assets			
(i) Investments	10	2.00	2.15
(ii) Other financial assets	11	6.88	6.79
(g) Deferred Tax Asset	37	25.01	21.19
(h) Other non-current assets	12	36.53	93.20
Total non-current assets		2,894.18	2,391.58
II. Current assets			
(a) Inventories	13	1,747.08	1,535.06
(b) Financial assets			
(i) Trade receivables	14	1,294.25	1,209.04
(ii) Cash and cash equivalents	15	507.20	665.65
(iii) Bank balances other than cash and cash equivalents	16	1,040.05	394.87
(iv) Other financial assets	17	72.20	21.47
(c) Current tax assets (net)	18	23.73	8.70
(d) Other current assets	19	224.90	262.91
Total current assets		4,909.41	4,097.70
Total assets		7,803.59	6,489.28
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	20(A) & 20(B)	382.05	292.50
(b) Instruments entirely equity in nature	20(C)	-	108.18
(c) Other equity	21	5,208.10	3,609.63
Equity attributable to owners of the parent		5,590.15	4,010.31
Non-Controlling Interest		47.58	77.17
Total equity		5,637.73	4,087.48
Liabilities			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	152.35	258.35
(ii) Lease Liabilities	41	17.07	6.17
(b) Provisions	23	120.79	81.84
(c) Deferred tax liabilities (net)	37	33.14	49.71
Total non-current liabilities		323.35	396.07
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	396.03	770.19
(ii) Lease Liabilities	41	11.00	23.96
(iii) Trade payables	25		
(A) total outstanding dues of micro enterprises and small enterprises		38.89	53.90
(B) total outstanding dues of creditors other than micro enterprise and small enterprise		749.88	774.62
(iv) Other financial liabilities	26	189.99	105.58
(b) Other current liabilities	27	344.23	216.92
(c) Provisions	23	95.22	60.56
(d) Current tax liabilities (net)	28	17.27	-
Total current liabilities		1,842.51	2,005.73
Total liabilities		2,165.86	2,401.80
Total equity and liabilities		7,803.59	6,489.28
Summary of material accounting policies followed by the Company	3		

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

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration Number: 105047W

Nitin Manohar Jumani

Partner

Membership No: 111700

Place: Pune

Date: May 29, 2024

For and on behalf of the Board of Directors

Rishabh Instruments Limited (Formerly known as Rishabh Instruments Private Limited)

CIN:L31100MH1982PLC028406

Narendra Goliya

Chairman and Managing Director

DIN: 00315870

Place: Nashik

Date: May 29, 2024

Vishal Kulkarni

Chief Financial Officer

Place: Nashik

Date: May 29, 2024

P.K.Ramakrishnan

Non-Executive Director

DIN: 00304272

Place: Nashik

Date: May 29, 2024

Ajinkya Joglekar

Company Secretary

Membership No: A57272

Place: Nashik

Date: May 29, 2024



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Note No.	Period ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue from operations	29	6,897.46	5,695.40
Other income	30	115.85	102.41
Total income		7,013.31	5,797.81
EXPENSES			
Cost of material and components consumed	31A	2,704.85	2,350.16
Purchase of Stock-in-trade	31B	296.13	259.25
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	(101.75)	(46.17)
Employee benefits expense	33	1,993.46	1,451.24
Finance costs	34	40.78	51.50
Depreciation and amortisation expense	35	275.99	204.59
Other expenses	36	1,293.22	920.17
Total expenses		6,502.68	5,190.75
Profit before share of profit/(loss) of an associate and tax		510.63	607.06
Share of profit/(loss) of an associate using equity method		(0.15)	0.09
Profit before tax		510.48	607.15
Income Tax expense/(Credit)			
Current tax expense	37	141.37	125.30
Income tax in respect of earlier year	37	(24.15)	-
Deferred tax credit	37	(5.68)	(15.02)
Total income tax expense		111.54	110.28
Profit for the year		398.94	496.87
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		(35.91)	(11.27)
Income tax effect on these items		7.12	1.75
		(28.79)	(9.52)
Items that will be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		244.77	82.09
		244.77	82.09
Other comprehensive income/(loss) for the year, net of tax		215.98	72.57
Total comprehensive income for the year		614.92	569.44
Profit for the year attributable to:			
Equity holders of the parent		396.61	468.17
Non-controlling interests		2.33	28.70
		398.94	496.87
Other comprehensive income/(loss) for the year attributable to:			
Equity holders of the parent		214.37	71.35
Non-controlling interests		1.61	1.22
		215.98	72.57
Total comprehensive income for the year attributable to:			
Equity holders of the parent		610.98	539.52
Non-controlling interests		3.94	29.92
		614.92	569.44
Earnings per share (Face value per share of INR 10 each)			
Basic earnings per share (INR)	38	10.71	12.84
Diluted earnings per share (INR)	38	10.61	12.76
Summary of material accounting policies followed by the Company	3		
The accompanying notes are an integral part of the consolidated financial statements.			

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

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration Number: 105047W

Nitin Manohar Jumani

Partner

Membership No: 111700

Place: Pune

Date: May 29, 2024

For and on behalf of the Board of Directors

Rishabh Instruments Limited (Formerly known as Rishabh Instruments Private Limited)

CIN:L31100MH1982PLC028406

Narendra Goliya

Chairman and Managing Director

DIN: 00315870

Place: Nashik

Date: May 29, 2024

Vishal Kulkarni

Chief Financial Officer

Place: Nashik

Date: May 29, 2024

P.K.Ramakrishnan

Non-Executive Director

DIN: 00304272

Place: Nashik

Date: May 29, 2024

Ajinkya Joglekar

Company Secretary

Membership No: A57272

Place: Nashik

Date: May 29, 2024

STATEMENT OF CONSOLIDATED CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	510.48	607.15
Adjustments for:		
Depreciation and amortisation expenses	275.99	204.61
Share based payment expense	207.48	79.85
Finance cost	40.78	51.50
Interest income	(54.10)	(41.09)
Liabilities written back	-	(3.34)
Loss/ (Gain) on sale of property, plant and equipment	(0.54)	(2.59)
(Reversal of excess provision) for credit impairment	(0.79)	(3.47)
Share of (profit)/loss of an associate	0.15	(0.06)
Operating profit before working capital changes	979.45	892.56
Changes in working capital		
Increase/ (Decrease) in trade payables	(47.09)	153.59
Decrease/ (increase) in inventories	(212.02)	(250.89)
Decrease/ (increase) in trade receivables	(26.41)	(405.79)
Increase/(Decrease) in other current liabilities	69.31	71.96
Increase / (Decrease) in provisions	37.69	27.28
Increase/ (Decrease) in other financial liabilities	59.37	(8.64)
Decrease/ (increase) in other financial assets	(28.86)	(0.48)
Decrease/(increase) in other assets	43.89	(71.64)
Cash generated from operations	875.33	407.95
Income tax paid (net of refund)	(114.98)	(132.87)
Net cash flow from operating activities (A)	760.35	275.08
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(689.96)	(302.56)
Acquisition of Non controlling interest in subsidiary	(19.00)	(4.63)
Proceeds from sale/ disposal of Property, Plant and Equipment	0.61	13.99
Net proceeds from /(Investment in) Term Deposits	(645.18)	222.38
Interest received	32.14	43.68
Net cash used in investing activities (B)	(1,321.39)	(27.16)
Cash flow from Financing activities		
Proceeds from issue of share capital	750.00	-
Transaction cost on issuance of shares	(25.95)	-
Proceeds from exercise of share options	34.26	-
Dividend Paid	(8.83)	(8.84)
Proceeds /(Repayment) of borrowings	(480.16)	62.85
Interest paid	(40.81)	(49.17)
Payment of lease liabilities	(2.07)	(49.84)
Net cash flow from/(used in) financing activities (C)	226.44	(45.00)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(334.60)	202.92
Cash and cash equivalents at the beginning of the year	665.65	462.41
Net foreign exchange difference	176.15	0.32
Cash and cash equivalents at the end of the year	507.20	665.65
Cash and cash equivalents comprise (Refer note 15)		
Balances with banks		
On current, EEFC & Social Fund accounts	402.18	266.17
Fixed deposits with maturity of less than 3 months	104.33	398.89
Cash on hand	0.69	0.59
Total cash and bank balances at end of the year	507.20	665.65

Summary of material accounting policies followed by the Company

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

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration Number: 105047W

Nitin Manohar Jumani

Partner

Membership No: 111700

Place: Pune

Date: May 29, 2024

For and on behalf of the Board of Directors

Rishabh Instruments Limited (Formerly known as Rishabh Instruments Private Limited)

CIN: L31100MH1982PLC028406

Narendra Goliya

Chairman and Managing Director

DIN: 00315870

Place: Nashik

Date: May 29, 2024

Vishal Kulkarni

Chief Financial Officer

Place: Nashik

Date: May 29, 2024

P.K.Ramakrishnan

Non-Executive Director

DIN: 00304272

Place: Nashik

Date: May 29, 2024

Ajinkya Joglekar

Company Secretary

Membership No: A57272

Place: Nashik

Date: May 29, 2024



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(Amount in INR Million except per share data and unless otherwise stated)

(A) EQUITY SHARE CAPITAL

Ordinary Equity Shares

For the year ended March 31, 2024	March 31, 2024	
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2023	29,250,400	292.50
Changes during the year [Refer note 20A(i)]	8,954,624	89.55
Balance as at March 31, 2024	38,205,024	382.05

For the year ended March 31, 2023	March 31, 2023	
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2022	14,625,100	146.25
Changes during the year [Refer note 20A(i)]	14,625,300	146.25
Balance as at March 31, 2023	29,250,400	292.50

Note : The amount reported 0.00 is below roundoff threshold limit

Class A Equity Shares

For the year ended March 31, 2024	March 31, 2024	
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2023	-	-
Changes during the period	-	-
Balance as at March 31, 2024	-	-

For the year ended March 31, 2023	March 31, 2023	
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2022	100	0.00
Conversion into ordinary equity shares	(100)	(0.00)
Balance as at March 31, 2023	-	-

Note : The amount reported 0.00 is below roundoff threshold limit

(B) INSTRUMENTS ENTIRELY EQUITY IN NATURE

For the year ended March 31, 2024	March 31, 2024	
Compulsorily Convertible Preference shares of INR 30 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2023	3,606,110	108.18
Conversion into ordinary equity shares [Refer note 20(C)]	(3,606,110)	(108.18)
Balance as at March 31, 2024	-	-

For the year ended March 31, 2023	March 31, 2023	
Compulsorily Convertible Preference shares of INR 30 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 01, 2022	3,606,110	108.18
Changes during the year	-	-
Balance as at March 31, 2023	3,606,110	108.18

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(C) OTHER EQUITY

For the year ended March 31, 2024

Particulars	Other Equity	Other Comprehensive Income							Non-Controlling Interest	Application money received under Employee Stock Option	Total
	Securities Premium	Capital Redemption Reserve	Surplus in Statement of Profit & Loss	Employee Stock Option Reserve (ESOP)	General Reserve	Capital Reserve	Foreign currency translation reserve	Remeasurement of net defined benefit liability			
Balance as at April 2023	290.71	24.33	2,956.28	91.67	180.23	14.69	65.93	(14.21)	77.17	-	3,686.80
Profit for the year	-	-	396.61	-	-	-	244.77	-	2.33	-	643.71
Other comprehensive income	-	-	-	-	-	-	(1.61)	(28.79)	1.61	-	(28.79)
Total Comprehensive Income	-	-	396.61	-	-	-	243.16	(28.79)	3.94	-	614.92
Transactions with owners in their capacity as owners:											
Securities premium on conversion of Compulsory Convertible Preference Shares (CCPS) and issue of shares through initial public offer	771.08	-	-	-	-	-	-	-	-	-	771.08
Securities premium utilised to write off the share issue expenses	(42.50)	-	-	-	-	-	-	-	-	-	(42.50)
Deferred tax on share issue expenses	8.55	-	-	-	-	-	-	-	-	-	8.55
Employee stock option exercised scheme 2016	42.38	-	-	(11.55)	-	-	-	-	-	-	30.83
Forfeiture of ESOP options during the year	-	-	0.27	(0.27)	-	-	-	-	-	-	-
ESOP Expense during the year pursuant to allotment of ESOP scheme 2022	-	-	-	206.98	-	-	-	-	-	-	206.98
Dividend distributed	-	-	-	-	-	-	-	-	(8.83)	-	(8.83)
Transfer on acquisition of NCI in Lumel Slask	-	-	11.55	-	-	-	-	-	(24.70)	-	(13.15)
Transfer from profit & loss to general reserve	-	-	(8.10)	-	8.10	-	-	-	-	-	-
Application money received pending for allotment	-	-	-	-	-	-	-	-	-	1.00	1.00
Balance as at March 31, 2024	1,070.22	24.33	3,356.61	286.83	188.33	14.69	309.09	(43.00)	47.58	1.00	5,255.68



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

For the year ended March 31, 2023

Particulars	Other Equity					Other Reserve	Other Comprehensive Income		Non-Controlling Interest	Total
	Securities Premium	Capital Redemption Reserve	Surplus in Statement of Profit & Loss	ESOP Reserve	General Reserve	Capital Reserve	Foreign currency translation reserve	Remeasurement of net defined benefit liability		
Balance as at April 01, 2022	436.96	24.33	2,506.72	11.82	175.56	14.69	(14.94)	(4.69)	56.10	3,206.56
Profit for the year	-	-	468.17	-	-	-	82.09	-	28.70	578.96
Other comprehensive income	-	-	-	-	-	-	(1.22)	(9.52)	1.22	(9.52)
Total Comprehensive Income	-	-	468.17	-	-	-	80.87	(9.52)	29.92	569.44
Transactions with owners in their capacity as owners:	-	-	-	-	-	-	-	-	-	-
Distribution of dividend	-	-	-	-	-	-	-	-	-	-
Transfer from profit & loss to general reserve	-	-	(4.67)	-	4.67	-	-	-	-	-
Bonus issue of shares during the period	(146.25)	-	-	-	-	-	-	-	-	(146.25)
Others	-	-	(9.32)	-	-	-	-	-	-	(9.33)
Dividend distributed	-	-	-	-	-	-	-	-	(8.85)	(8.85)
Transfer on acquisition of NCI	-	-	(4.61)	-	-	-	-	-	-	(4.61)
ESOP expense during the year	-	-	-	79.85	-	-	-	-	-	79.85
Balance as at March 31, 2023	290.71	24.33	2,956.29	91.67	180.23	14.69	65.93	(14.21)	77.17	3,686.80

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

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration Number: 105047W

Nitin Manohar Jumani

Partner

Membership No: 111700

Place: Pune

Date: May 29, 2024

For and on behalf of the Board of Directors

Rishabh Instruments Limited (Formerly known as Rishabh Instruments Private Limited)

CIN:L31100MH1982PLC028406

Narendra Goliya

Chairman and Managing Director

DIN: 00315870

Place: Nashik

Date: May 29, 2024

Vishal Kulkarni

Chief Financial Officer

Place: Nashik

Date: May 29, 2024

P.K.Ramakrishnan

Non-Executive Director

DIN: 00304272

Place: Nashik

Date: May 29, 2024

Ajinkya Joglekar

Company Secretary

Membership No: A57272

Place: Nashik

Date: May 29, 2024

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in INR Million except per share data and unless otherwise stated)

1. REPORTING ENTITY

Rishabh Instruments Limited (“the Holding Company”) formerly known as Rishabh Instruments Private Limited is domiciled in India and incorporated under the provisions of the Companies Act, 1956 (“the Act”). The Holding Company has its office registered at A-54, MIDC, Opposite, MIDC Bus Depot, Andheri (East) Mumbai 400 093, Maharashtra, India. The CIN of the Company is L31100MH1982PLC028406. The equity shares of the Holding Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

These consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries (together referred to as the ‘Group’) for the year ended March 31, 2024. The Group is primarily involved in designing, developing and manufacturing test and measuring instruments, industrial control products & high-pressure aluminium die casting.

These consolidated financial statements were approved for issue in accordance with a resolution of the directors on May 29, 2024.

2(A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(i) Statement of compliance and basis of Preparation

These consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Details of the Group material accounting policies are included in Note 3.

(ii) Functional and presentation currency

The consolidated financial Statements are presented in Indian Rupees (INR), which is also the Group’s functional currency. All amounts have been rounded-off to the nearest Million to two decimal points, unless otherwise indicated.

(iii) Basis of measurement

These consolidated financial Statements have been prepared on a historical cost convention on accrual basis except for the following items:

Items	Measurement basis
Share based Payments Transactions	Fair value on the grant date
Net defined benefit liability	Present value of defined benefit obligation less fair value of plan assets

(iv) Going Concern Assumption

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

(v) Basis of Consolidation:

The consolidated financial statements incorporate the financial statements of the Holding Company and all its subsidiaries, being the entities that it controls & an associate entity where The holding Company exercise a significant influence. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the Holding Company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group. Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

(vi) Critical accounting judgements and key sources of estimation uncertainty

In preparing these consolidated Financial Statements, management has made judgements, 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.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

During the year ended March 31, 2024 the Group has reassessed the method of depreciation, the useful life and residual value of certain assets. As per Ind AS 8, the effect of change in accounting estimate has to be given prospectively in the financial statements. Due to this change in accounting estimate, depreciation and amortisation expenses is higher and profit before taxes is lower by INR 5.72 Million for the year ended March 31, 2024. Refer Note 5.05.

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 are included in the following notes:

a) Critical Accounting Estimates

Note 39 - The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation 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 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. The policy for the same has been explained under Note 3

Note 5 - Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as

anticipation of future events, which may impact their life. The policy for the same has been explained under Note 3

Note 11, 14 & 17 - The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period. The policy for the same has been explained under Note 3

Note 9 - The Group assesses the carrying value of goodwill for impairment. This involves allocating goodwill to the relevant cash-generating unit (CGUS) or group of CGUS that are expected to benefit from the synergies of the combination. This process requires significant judgment, including assumptions about future cash flows, growth rates, and discount rates, reflecting management's best estimates under current market conditions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 3

Note 13 - The Group assesses inventory at the lower of cost and net realisable value (NRV). NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The provision for NRV is based on Current and forecasted market trends, Obsolescence & sales projections. This estimate involves significant judgment and is reviewed at each reporting date. The policy for the same has been explained under Note 3

Note 40 - The Group Estimates fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

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for estimating fair value for share-based payment transactions are disclosed in note 40. The accounting policy for the same has been explained under Note 3

2(B) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023, to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Group has applied these amendments for the first time in these financial statements.

(i) Amendments to Ind AS 1 - disclosure of accounting policies

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

(ii) Definition of Accounting Estimates - Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

(iii) Amendments to Ind AS 12 - deferred tax related to assets and liabilities arising from a single transaction

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3 MATERIAL ACCOUNTING POLICIES

(i) Foreign currency

Foreign currency transactions and translation

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Holding Company's functional and Group's presentation currency.

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/losses arising out of fluctuation in foreign exchange rates between the transaction date and settlement date are recognised in the profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date and the exchange differences are recognised in the profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI, or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet,



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(ii) Financial Instruments

Non derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, investments in equity & Mutual funds and eligible current and non-current assets; and
- financial liabilities, which include borrowings, trade payables, lease liability and eligible current and noncurrent liabilities.

Recognition of Non derivative financial instruments:

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents.

The Group's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with banks and are considered part of the Group's cash management system.

Investments in associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are 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's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

The carrying amount of equity accounted investments are tested for impairment annually.

Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These comprise trade receivables, lease receivables, and eligible current and noncurrent assets. They are presented as current assets, except for those expected to be realised later than twelve months after the reporting date which are presented as non-current assets. All financial assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. However, trade receivables that do not contain a significant financing component are measured at the Transaction Price.

Trade payables and other liabilities

Trade payables are initially recognised at transaction price, and subsequently carried at transaction price.

Other liabilities are initially recognised at transaction price, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value of these instruments.

(a) Derecognition of financial instruments

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

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the financial asset, and the transfer qualifies for derecognition under Ind AS 109. If the Group retains substantially all the risks and rewards of a transferred financial asset, the Group continues to recognise the financial asset and recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(b) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(iii) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost (cash price equivalent), which includes capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

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

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

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the Balance Sheet date.

PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic

benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using written down value method in case of Holding Company & Straight-Line Method in case of material subsidiaries and is generally recognised in the statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is provided over the useful life of assets as assessed by the management which is based on the technical expert's assessment, certain items of property plant and equipment to the Companies Act 2013, as follows -

Particulars	Useful lives (years)
Buildings	28 - 60
Moulds	6 - 15
Plant & Machinery	10-20
Servers & Computer	3-6
Furniture and fixtures	5
Vehicles	8 - 15
Research Facilities assets	5

Cost of leasehold land is amortised over the period of lease i.e, 77 years to 99 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which the asset is ready for use (disposed of).

(iv) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised over its useful life on straight line basis. The estimated useful life of amortisable intangibles is reviewed and where appropriate is adjusted, annually.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

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The estimated useful lives of the amortisable intangible assets are as follows:

Particulars	Useful lives (years)
SAP S4 HANA [ERP Software	10
Computer Software	3 - 6
Technical Knowhow	10

(v) Impairment

i. Impairment of Financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, Lease receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using the effective interest rate.

Loss allowances for trade receivables, Lease receivables are measured at an amount equal to lifetime expected credit loss. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to account risk profiling of customers and historical credit loss experience adjusted for forward looking information.

ii. Impairment of non-financial assets

The Group's non-financial assets such as property, plant and equipment, Goodwill, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected

to benefit from a business combination that gives rise to the goodwill.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

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

(vi) Inventories:

Inventories are valued at lower of cost and net realisable value including necessary provision for obsolescence. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The comparison of cost and net realisable value is made on an item-by-item basis.

The cost of raw materials, components, consumable stores and spare parts are determined using the weighted average method and includes freight, taxes and duties, net of duty credits wherever applicable.

Finished goods and work in progress are valued at lower of cost and net realisable value. Cost includes all direct costs including applicable manufacturing overheads incurred in bringing them to their present location and condition

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(vii) Leases

The Group as a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

Leases of low value assets; and

Leases with a duration of 12 months or less

Lease liabilities

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the entities incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Right-of-use assets

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated over the asset's lease term on a straight-line basis.

The Group as a lessor

Leases for which the group 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

(viii) Employee benefits

i. Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Post-employment benefits (defined benefit plans)

The Group provides for retirement benefits in the form of Gratuity. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii. Defined contribution plans

The Group makes defined contribution to Government viz. Employee Provident Fund and Social Security Fund, which are recognised in the Statement of Profit and Loss on accrual basis.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(ix) Revenue Recognition

The Group derives revenue primarily from sale of auto-components (Camshafts & others) & Kit sets which are used for electrifying the fuel trucks. The Group also earns revenue from Tooling contract used in manufacturing of camshafts.

Sale of Products

Revenue from sale of product is recognised at point in time when control of the goods

has transferred to the customer. Control over a good refers to the ability to direct the use of, and obtain substantially all the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales. Revenue from product sales is recorded net of allowances for estimated rebates and estimates of product returns, all of which are established at the time of sale

Tooling contract:

The Group recognises revenue from developed tools only when they are approved by the customer. Accordingly, revenue from tooling is recognised at a point in time, post-approval by the customer, at the transaction price agreed upon in the contract.

Testing & technical services contract:

The group recognise revenue from testing and technical services as and when services are rendered and on the basis of contractual terms with the parties. The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer.

(x) Export Incentives:

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

(xi) Dividend:

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(xii) Income tax

Income tax comprises current and deferred tax.

i. Current income tax

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

Current income tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii. Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated balance sheet differs from its tax base, except for differences arising on:

- The initial recognition of goodwill,
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit, and
- Investments in subsidiaries and joint arrangements where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised. The amount of the asset or liability is

determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

(xiii) Share based payments transactions

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the groups' best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied

(xiv) Provisions and Contingent Liabilities

The Group estimates the provisions that have present obligations as a result of past events, and it is probable that an outflow of resources will be required to settle the obligations. These



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Group uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 or a present obligation that arises from 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. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

(xv) Earnings Per Share [EPS]

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the

number of equity shares outstanding, without a corresponding change in resource.

For the purpose of calculating diluted earnings per share, the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares which is only attributable to the share-based payment transactions as disclosed above and in note 40.

(xvi) Segment Reporting

Segments are identified based on the way the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. The Group is engaged in designing, development and manufacturing of test and measuring instruments, industrial control products and high-pressure aluminium die casting. Based on the similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Group has structured its operations into a single operating segment. However, based on the geographic distribution of activities, the chief operating decision maker identified Asia, USA, Europe (other than Poland), Poland & others as reportable geographical segments. The information on the segment is disclosed in note 43.

4 NEW STANDARDS AND AMENDMENTS ISSUED BUT NOT EFFECTIVE

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross block					Depreciation					Net block
	As at April 01, 2023	Additions	Deductions & Adjustments [Refer note 5.01]	Foreign currency translation reserve	As at March 31, 2024	As at April 01, 2023	For the year [Refer note 5.05]	Deductions & Adjustments [Refer note 5.01]	Foreign currency translation reserve	As at March 31, 2024	As at March 31, 2024
Plant and Machinery	950.44	465.72	158.16	252.19	1,826.51	216.16	165.55	7.86	324.32	713.89	1,112.62
Buildings	947.51	1.99	-	195.96	1,145.46	79.58	27.53	-	(10.81)	96.30	1,049.16
Land	65.24	-	-	6.25	71.49	-	-	-	-	-	71.49
Furniture and Fixtures	74.70	14.68	-	49.89	139.27	40.66	15.70	-	28.95	85.31	53.96
Vehicles	39.69	43.68	-	16.40	99.77	7.25	13.21	-	12.10	32.56	67.21
Leasehold Land	13.45	2.51	-	0.10	16.06	3.46	1.94	-	(0.05)	5.35	10.71
Computers	20.77	3.94	(8.86)	4.28	20.13	8.00	6.32	(8.79)	3.76	9.29	10.84
Office Equipment	11.49	0.55	-	(0.42)	11.62	4.28	1.55	-	(0.06)	5.77	5.85
Right of Use Asset	183.21	20.97	(158.16)	2.78	48.80	21.14	10.35	(7.86)	11.13	34.76	14.04
Total	2,306.50	554.04	(8.86)	527.43	3,379.11	380.53	242.15	(8.79)	369.34	983.23	2,395.88

Particulars	Gross block					Depreciation					Net block
	As at April 01, 2022	Additions	Deductions/ Adjustments	Foreign currency translation reserve	As at March 31, 2023	As at April 01, 2022	For the year	Deductions/ Adjustments	Foreign currency translation reserve	As at March 31, 2023	As at March 31, 2023
Plant and Machinery	865.35	73.16	(22.09)	34.02	950.44	85.23	106.95	(0.44)	24.42	216.16	734.28
Buildings	891.98	4.88	-	50.65	947.51	63.69	31.85	(17.76)	1.80	79.58	867.93
Land	61.59	-	-	3.65	65.24	-	0.00	-	-	-	65.24
Furniture and Fixtures	62.01	7.48	(0.44)	5.65	74.70	23.61	7.30	6.43	3.32	40.66	34.04
Vehicles	29.58	11.32	(3.49)	2.28	39.69	5.03	4.53	(3.09)	0.78	7.25	32.44
Leasehold Land	13.42	0.00	-	0.03	13.45	1.87	1.54	-	0.05	3.46	9.99
Computers	17.38	4.91	(1.62)	0.10	20.77	3.18	6.31	(1.58)	0.09	8.00	12.77
Office Equipment	11.02	0.45	-	0.02	11.49	2.58	1.68	-	0.01	4.28	7.21
Right of Use Asset	278.10	10.38	(118.61)	13.34	183.21	101.70	31.22	(118.42)	6.64	21.14	162.07
Total	2,230.43	112.58	(146.25)	109.74	2,306.50	286.89	191.38	(134.86)	37.11	380.53	1,925.97

5.01 Adjustment on account of Lease buy-out

- During the current financial year, Lumel Alucast [A step down subsidiary of The holding Company] has exercised and option to purchase the asset which were taken on lease as per the terms of lease contract
- accordingly the said value of those assets have been re-classed from ROU assets to plant & machinery

5.02 Property, plant and equipment pledged as security

Refer to Note 48 for information on property, plant and equipment pledged as security by the Company.

5.03 Contractual Obligations

Refer to Note 49 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

5.04 Revaluation of assets

The Group has not revalued its property, plant and equipment (including right-of-use assets) during the current year and previous year.

Impact of change in accounting estimates

- 5.05** Two step down subsidiaries in the group viz. Lumel SA & Lumel Alucast have charged depreciation on Property, Plant and Equipment based on Written Down Value (“WDV”) method to Straight Line method (“SLM”) & have re-estimated the useful life and residual value upto 5% of the cost of certain assets, such re-estimation is based upon the technical assessment of the expected pattern of consumption of future economic benefits embodied in the assets as per Ind AS 16. As per Ind AS 8, the effect of change in accounting estimate has to be given prospectively in the financial statements, accordingly the effect has been given with effect from April 01, 2023. Due to this change depreciation and amortisation is higher and profit before tax is lower by INR 5.72 Million.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

6 CAPITAL WORK-IN-PROGRESS

Particulars	As at April 01, 2023	Additions	Capitalised during the year	Foreign currency translation reserve	As at March 31, 2024	As at April 01, 2022	Additions	Capitalised during the year	Foreign currency translation reserve	As at March 31, 2023
Capital Work in Progress	76.15	546.15	(465.72)	(32.67)	123.91	51.34	114.02	(90.88)	1.67	76.15

7 OTHER INTANGIBLE ASSETS

Particulars	Gross block					Amortisation					Net block
	As at April 01, 2023	Additions	Deductions	Foreign currency translation reserve	As at March 31, 2024	As at April 01, 2023	For the year [Refer note 5.05]	Deductions	Foreign currency translation reserve	As at March 31, 2024	As at March 31, 2024
Computer Software	39.00	5.26	-	8.14	52.40	12.40	11.15	-	7.59	31.13	21.27
Technical knowhow	66.00	8.54	-	10.04	84.58	39.97	22.67	-	8.86	71.52	13.06
Patents & Trademark	0.17	-	-	0.06	0.23	0.09	0.02	-	0.06	0.16	0.07
Total	105.17	13.80	-	18.24	137.20	52.46	33.84	-	16.51	102.81	34.39

Particulars	Gross block					Amortisation					Net block
	As at April 01, 2022	Additions/ Adjustments	Deductions	Foreign currency translation reserve	As at March 31, 2023	As at April 01, 2022	For the year	Deductions	Foreign currency translation reserve	As at March 31, 2023	As at March 31, 2024
Computer Software	14.87	22.58	-	1.55	39.00	7.44	4.26	-	0.70	12.40	26.61
Technical knowhow	56.98	-	-	9.02	66.00	22.48	8.95	-	8.54	39.97	26.02
Patents & Trademark	0.17	-	-	-	0.17	0.07	0.02	-	-	0.09	0.08
Total	72.02	22.58	-	10.57	105.17	29.99	13.22	-	9.24	52.46	52.71

8 INTANGIBLE UNDER DEVELOPMENT

Particulars	Gross block				
	As at April 01, 2023	Additions/ Adjustments	Capitalised during the year	Foreign currency translation reserve	As at March 31, 2024
Intangible under development	-	58.72	(13.80)	3.74	48.66

9 GOODWILL

Particulars	Amount
As at 01 April 01, 2022	210.57
Additions	-
Net exchange difference	2.85
As at March 31, 2023	213.42
Additions	
Net exchange difference	7.50
As at March 31, 2024	220.92

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Impairment of Goodwill

Goodwill acquired through business combinations has been considered for impairment testing by the management.

The Group performed its annual impairment test for the year ended March 31, 2024. The Group considers recoverable amount that is determined based on a value-in-use calculation using cash flow projections from financial budgets approved by management. The recoverable amount of the CGU has been determined based on a value in use calculation using cash flow projections from financial budgets approved by management covering a five year period. The summary of assumptions and inputs uses for determining the value in use of CGUs are tabulated below.

Basis of Valuation	Shanghai Va Instruments Limited	Lumel Spółka Akcyjna	Energy Solutions Limited	Remarks
1. Period of projected Cash Flow of the Company	From April 01, 2024 to March 31, 2029	From April 01, 2024 to March 31, 2029	From April 01, 2024 to March 31, 2029	As provided by management of Rishabh Instruments Limited
2. Target Debt to Equity	0:1	0:1	0:1	No intention to carry debt in present as well as in future years
3. Applicable Income Tax Rate	25.00%	18.00%	29.12%	
5. Terminal Growth rate	5%	5%	5%	
6. Expected/Discount Rate	17.13%	17.28%	16.34%	On the basis of WACC, Cost of equity is computed using CAPM Approach [Risk free rate 10 year govt bond yield - 7.18%, Market Return 10 year SENSEX CAGR - 12.62%, Beta - 0.95]
7. Size Risk Premium	2%	2%	2%	Extra return expected for holding small-cap stocks due to their higher perceived risk compared to large-cap stocks.
8. Liquidity Risk Premium	2%	2%	2%	Extra return expected for holding assets that are harder to sell quickly.
8. Country Risk Premium	0.79%	0.94%	NA	Extra return expected to compensate for the additional risks associated with investing in a host country's equity.

Goodwill as per Financial Statements:

Period	Shanghai Va Instruments Limited	Lumel Spółka Akcyjna	Energy Solutions Limited	Total
March 31, 2024	156.50	58.38	6.04	220.92
March 31, 2023	154.13	53.25	6.04	213.42

The Group has performed sensitivity analysis around the base assumptions and have concluded that no reasonable changes in key assumptions would cause the recoverable amount of the CGU to be less than the carrying value. As a result of the analysis, no impairment of the Goodwill was required. As at March 31, 2024 & March 31, 2023, there were no indicators of impairment noted by management.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

10 FINANCIAL ASSETS- INVESTMENTS

Particulars	March 31, 2024	March 31, 2023
Unquoted equity shares		
Investment in Associate	2.00	2.15
Total (equity instruments)	2.00	2.15
Aggregate book value of:		
Unquoted investments	2.00	2.15

Investment in associate represents investment in Inmel Sp.Z.o.o which is made by Lumel SA (a step down subsidiary). Lumel SA Holds 20 ordinary shares representing 21.98% of total equity shares having a face value of 550 Polish Zloty [PLN] per share. Such shares were subscribed at the rate of 10,900 PLN per share. There has been no change in shareholding by Lumel SA in such associate entity from previous year.

11 OTHER FINANCIAL ASSETS

Particulars	March 31, 2024	March 31, 2023
Financial assets carried at amortised cost		
Security Deposits	6.74	4.83
Lease receivables [Refer Note 41]	0.14	1.96
	6.88	6.79

12 OTHER NON-CURRENT ASSETS

Particulars	March 31, 2024	March 31, 2023
Capital advance*	24.14	82.28
Prepaid expense	2.31	0.42
Gratuity Plan Assets	5.17	5.60
Balance with Government authorities	4.91	4.90
Total other non-current assets	36.53	93.20

* The estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2024 INR 321.57 Million (net of advance of INR 24.14 Million) [March 31, 2023 is INR 176.50 Million (net of advance of INR 82.28 Million)].

13 INVENTORIES

Particulars	March 31, 2024	March 31, 2023
Raw Material (At cost less impairment provision, wherever required)	1,179.31	1,071.49
Work in progress in stock (At lower of cost and net realisable value)	328.75	238.91
Finished & Traded goods in stock (At lower of cost and net realisable value)	174.75	169.18
Stock in Trade	54.56	48.22
Store and spares parts including packing material (At cost)	9.71	7.26
	1,747.08	1,535.06

Notes

- Raw Material [Includes goods in transit INR 20.51 Million (March 31, 2023: INR 15.94 Million)]
- Finished goods includes goods in transit INR 49.80 Million (March 31, 2023: INR 38.56 Million)
- During the year ended March 31, 2024: INR (9.27) Million [March 31, 2023]: 33.34 Million was recognised as expense/ (reversal of expense) for inventories carried at net realisable value & provision for slowmoving & non moving items.
- Refer Note 48 which contains the information of inventory pledged as security.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

14 TRADE RECEIVABLE

Particulars	March 31, 2024	March 31, 2023
Secured, considered good	1,294.25	1,209.04
Unsecured Considered good		
Receivables which have significant increase in credit Risk	-	-
Less : Allowance for credit impairment on receivables which have significant increase in credit risk	-	-
credit impaired	8.28	9.49
Less : Impairment loss on credit impaired trade receivable	(8.28)	(9.49)
	1,294.25	1,209.04
Further classified as:		
Receivable from related parties (Refer Note 42)	3.23	9.10
Receivable from others	1,291.02	1,199.94
	1,294.25	1,209.04

Particulars	Current						Total
	Not Due	Outstanding for following periods from due date of Receipts					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,053.67	224.65	14.91	0.36	0.66	-	1,294.25
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	0.49	0.90	5.45	0.47	0.97	8.28
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowance for credit impairment	-	(0.49)	(0.90)	(5.45)	(0.47)	(0.97)	(8.28)
Total	1,053.67	224.65	14.91	0.36	0.66	-	1,294.25



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

March 31, 2023	Current						Total
	Particulars	Not Due	Outstanding for following periods from due date of Receipts				
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) Undisputed Trade receivables - considered good	846.58	307.79	52.13	2.54	-	-	1,209.04
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	0.71	4.96	0.19	3.63	9.49
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowance for credit impairment	-	-	(0.71)	(4.96)	(0.19)	(3.63)	(9.49)
Total	846.58	307.79	52.13	2.54	-	-	1,209.04

Notes

- The net carrying value of trade receivables is considered a reasonable approximation of fair value.
- Trade receivables are non-interest bearing and have a credit period ranging from 30 to 150 days.
- Refer Note 48 which contains the trade receivable pledged as security.

15 CASH AND CASH EQUIVALENTS

Particulars	March 31, 2024	March 31, 2023
Balances with banks:		
In current accounts	323.48	209.30
In EEFC accounts	76.15	41.97
In social security fund account	2.55	14.90
Fixed deposits with original maturity of less than 3 months	104.33	398.89
Cash in hand	0.69	0.59
	507.20	665.65

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	March 31, 2024	March 31, 2023
Cash and cash equivalents		
Balances with banks:		
On current and EEFC accounts & social security fund account	402.18	266.17
Fixed deposits with original maturity of less than 3 months	104.33	398.89
Cash on hand	0.69	0.59
	507.20	665.65

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

16 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Particulars	March 31, 2024	March 31, 2023
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date**	1,016.35	394.87
Balance in Monitoring Account	23.70	-
	1,040.05	394.87

* Refer Note 48 which contains the information on fixed deposit pledged as security

17 OTHER FINANCIAL ASSETS

Particulars	March 31, 2024	March 31, 2023
Financial assets carried at amortised cost		
Security deposits	38.33	10.14
Interest accrued on fixed deposits	31.42	9.45
Lease receivable [Refer Note 41]	2.45	1.88
	72.20	21.47

18 CURRENT TAX ASSETS

Particulars	March 31, 2024	March 31, 2023
Advance income tax (Net of provision)	23.73	8.70
	23.73	8.70

19 OTHER CURRENT ASSETS

Particulars	March 31, 2024	March 31, 2023
Advance recoverable from employees	3.27	3.14
Advance to suppliers	83.51	76.16
Prepaid Expenses	16.36	83.57
Balance with government authorities	121.76	100.04
	224.90	262.91

20 SHARE CAPITAL

(A) Ordinary Equity shares

Particulars	March 31, 2024	March 31, 2023
Authorised		
4,10,00,000 (March 31, 2023 : 3,01,81,670) Ordinary equity shares of INR 10 each	410.00	301.82
	410.00	301.82
Issued, subscribed and paid up		
38,205,024 (March 31, 2023 : 29,250,400) Ordinary equity shares of INR 10 each	382.05	292.50



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	March 31, 2024		March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	29,250,400	292.50	14,625,100	146.25
Add : Class A Equity shares converted into Ordinary Equity shares	-	-	100	0.00
Add: Issued through Initial Public Offer [Refer Note 63]	1,700,680	17.01	-	-
Add: Issue of bonus shares*	-	-	14,625,200	146.25
Add: CCPS converted to equity shares of face value INR 10 each [Refer note 20C(i)]	7,010,278	70.10	-	-
Add: Employee stock option exercised at face value INR 10 each	243,666	2.44	-	-
Outstanding at the end of the year	38,205,024	382.05	29,250,400	292.50

*During the year ended March 31, 2023, Board of directors of holding company had proposed the bonus issue of shares in the ratio of 1:1 vide it's meeting held on September 21, 2022. The Members of holding company had approved the scheme of bonus issue by way of Special Resolution passed in the Extra Ordinarily General Meeting held on September 21, 2022.

Note: The amount reported as 0.00 above is below the rounding off threshold.

(ii) Rights, preferences and restrictions attached to shares

These shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. They entitle the holders to participate in dividends and dividend, if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to their shareholding.

(iii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	March 31, 2024		March 31, 2023	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Mr. Narendra Goliya	16,262,098	42.57	16,262,098	55.60
Mrs. Asha N. Goliya	3,000,000	7.85	4,500,000	15.38
Rishabh Family Trust	3,600,000	9.42	3,600,000	12.31
Anushree Family Trust	3,600,000	9.42	3,600,000	12.31
Total	26,462,098	69.26	27,962,098	95.60

As per records of the holding Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(iv) Details of Shares held by Promoters & Promoter Group at the end of the year

Promoter & Promotor Group	Number Of Shares	% of total shares	% Change during the year	Remark
Ordinary Shares -				
Mr. Narendra Goliya jointly held with Mrs. Asha Goliya	16,262,098	42.57%	(23.44%)	The holding of promoters has decreased owing to dilution on fresh issue of shares to public through initial public offer, conversion of Compulsory Convertible Preference shares into ordinary shares & selling a part of their stake in IPO through offer for sale.
Mrs. Asha Narendra Goliya jointly held with Mr. Narendra Goliya	3,000,000	7.85%	(48.96%)	
Mr. Rishabh Goliya jointly held with Mr. Narendra Goliya	350,000	0.92%	(64.27%)	
Ms.Anushree Goliya jointly held with Mr. Narendra Goliya	2	0.00%	0.00%	
Rishabh Family Trust	3,600,000	9.42%	(23.44%)	
Anushree Family Trust	3,600,000	9.42%	(23.44%)	
Mohini Goliya	400	0.00%	0.00%	
	26,812,500	70.18%		

Promoter & Promotor Group	Number Of Shares	% of total shares	% Change during the year	Remark
Ordinary Shares -				
Mr. Narendra Goliya jointly held with Mrs. Asha Goliya	16,262,098	55.60%	(24.69%)	The shareholding of promoters have changed on account of transfer of stakes by Mr. Narendra Goliya jointly Held with Mrs. Asha Goliya to Rishabh Family Trust, Anushree Family Trust & Ivaan Foundation.
Mrs. Asha Narendra Goliya jointly held with Mr. Narendra Goliya	4,500,000	15.38%	-	
Mr. Rishabh Goliya jointly with Mr. Narendra Goliya	750,000	2.56%	-	
Narendra Rishabh Goliya, HUF	517,500	1.77%	-	
Ms.Anushree Goliya jointly held with Mr. Narendra Goliya	2	0.00%	-	
Ivaan Foundation	20,000	0.07%	0.07%	
Rishabh Family Trust	3,600,000	12.31%	12.31%	
Anushree Family Trust	3,600,000	12.31%	12.31%	
Mohini Goliya	400	0.00%	-	
	29,250,000	100.00%		

(v) Ordinarily equity shares have not been bought back by the holding Company during the period of five years immediately preceding the current year end.

(B) Class A Equity shares

Particulars	March 31, 2024	March 31, 2023
Authorised		
NIL (March 31, 2023 : NIL) Class A equity shares of INR 10 each	-	-
	-	-
Issued, subscribed and paid up		
NIL (March 31, 2023 : NIL) Class A equity shares of INR 10 each	-	-
	-	-



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	March 31, 2024		March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	-	-	100	0.00
Add: Issued / (conversion) during the period*	-	-	(100)	(0.00)
Outstanding at the end of the year	-	-	-	-

Note: The amount reported as 0.00/(0.00) are below rounding off threshold limit

(ii) Rights, preferences and restrictions attached to shares

These shares were having a par value of INR 10 per share. Shareholders were entitled to differential voting right in accordance with the shareholders agreement. They were entitled to the to preferentially participate in dividends , if any declared is payable in Indian Rupees. In the event of liquidation of the holding company, the holders of Class A equity shares were entitled to receive remaining assets of the holding company, to the preference over ordinary equity shares. The distribution would have been in accordance with the shareholders agreement. Class A Equity Shares had been converted into ordinary equity shares pursuant to meeting of the board held on September 08, 2022, which had been subsequently approved by members of the holding company in the Extra Ordinary General Meeting held on September 13, 2022.

(iii) 100% of the Class A equity share were held by SACEF II, who is neither a promoter nor a part of promoter group.

(C) Instruments entirely equity in nature

Authorised		
Nil (March 31, 2023 : 3,606,110) Compulsorily Convertible Preference shares of INR 30 each.		
Issued, subscribed and paid up		
Nil (March 31, 2023 : 36,06,110) Compulsorily Convertible Preference shares of INR 30 each		

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	March 31, 2024		March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	3,606,110	108.18	3,606,110	108.18
Less : CCPS converted into equity share during the year [Refer note below]	(3,606,110)	(108.18)	-	-
Outstanding at the end of the year	-	-	3,606,110	108.18

Note

During the current year, pursuant to the Shareholders Agreement of the Company, the Board of Directors of the holding Company in the Board Meeting held on July 24, 2023 approved conversion of CCPS into Ordinary Equity shares of 36,06,110 CCPS at conversion ratio 1:95 (rounded off) which has been approved in the Annual General Meeting of the holding Company held on July 25, 2023.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(ii) Rights, preferences and restrictions attached to shares

The holding Company had issued 4,307,669 CCPS of INR 30 each fully paid-up at a premium of INR 144.10 per share. CCPS carry cumulative dividend @ 0.001% p.a. the Company declares and pays dividends in Indian rupees. Each holder of CCPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to CCPS

Each holder of CCPS can opt to convert its preference shares into equity share up to the end of 18th year from the date of issue, viz., September 16, 2013. If the holder exercises its conversion option, the holding Company will issue one equity share for each preference share held.

If CCPS holders do not exercise conversion option, all CCPS will compulsorily convert into equity shares at the end of 18th year from the date of issue. In the event of liquidation of the Company before conversion/ redemption of CCPS, the holders of CCPS will have priority over equity shares in the payment of dividend and repayment of capital.

The Board of Directors of the holding Company in the Board Meeting dated October 23, 2020 have approved a scheme for buyback of CCPS and did buyback of 7,01,559 CCPS at the price of 270.83 per share.

(iii) 100% of the Compulsorily Convertible Preference Shares (CCPS) were held by SACEF II who is neither a promoter nor a part of promoter group.

21 OTHER EQUITY

	March 31, 2024	March 31, 2023
Securities premium	1,070.22	290.71
General reserve	188.33	180.23
Surplus in the Statement of Profit and Loss	3,356.61	2,956.28
Capital Redemption Reserve	24.33	24.33
ESOP Reserve	286.83	91.67
Exchange difference on translating the financial statements of a foreign operation	309.09	65.93
Remeasurement gains on defined benefit plans [Net of Taxes]	(43.00)	(14.21)
Capital Reserve	14.69	14.69
Application money received under Employee Stock Option	1.00	-
	5,208.09	3,609.63

(A) Securities premium (SP)*	March 31, 2024	March 31, 2023
Opening balance	290.71	436.96
Less: Issue of bonus shares	-	(146.25)
Less: Deferred Tax on Share Issue expense	8.55	-
Add: Conversion of CCPS into Equity	38.09	-
Add: Exercise of ESOP Scheme 2016	42.38	-
Add: Fresh Issue through IPO	732.99	-
Less - Securities premium utilised to write off the share issue expenses	(42.50)	-
Closing balance	1,070.22	290.71

* Securities premium is used to record the premium on issue of shares. Security premium record premium on issue of shares to be utilised in accordance with the Act.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(B) General reserve (GR)*	March 31, 2024	March 31, 2023
Opening balance	180.23	175.56
Add : Transfer from Surplus balance in statement of Profit & Loss	8.10	4.67
Closing balance	188.33	180.23

*Currently GR is comprised to recognise the amount of surplus balances in Profit & Loss.

(C) Surplus/(deficit) in the Statement of Profit and Loss	March 31, 2024	March 31, 2023
Opening balance	2,956.28	2,506.72
Less: Transfer to General Reserve	(8.10)	(4.67)
Add: Net Profit / (loss) for the current year	396.61	468.17
Add: ESOP forfeiture during the year	0.27	-
Less: Appropriations		
Dividend on preference share	-	(0.00)
Transfer to general reserve	-	-
Others		(9.32)
Add: Transfer to reserve and surplus from NCI on account of rectification impact of NCI	11.55	(4.62)
Closing balance	3,356.60	2,956.28

(D) Capital Redemption Reserve*	March 31, 2024	March 31, 2023
-As at beginning of year	24.33	24.33
Add: Movement during the year	-	-
Closing balance	24.33	24.33

* Capital Redemption Reserve comprises of capital nature reserves.

(E) Employee Stock Option Reserve (ESOP)*	March 31, 2024	March 31, 2023
Opening Balance	91.67	11.82
Add: Expense during the year pursuant to allotment of ESOP in current year	206.98	79.85
Less: Employee stock option exercised scheme 2016	(11.55)	-
Less: Forfeiture of share options during the year	(0.27)	-
Closing Balance	286.83	91.67

*ESOP recognises the fair value of options as at the grant date spread over the vesting period. (Refer note 40)

The employee stock options reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 40 for details of these plans.

(F) Exchange difference on translating the financial statements of a foreign operation	March 31, 2024	March 31, 2023
Opening Balance	65.93	(14.94)
Add: Movement during the year	243.16	80.87
Closing Balance	309.09	65.93

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(G) Other Reserve - Remeasurement gains on defined benefit plans [Net of Taxes]*	March 31, 2024	March 31, 2023
At the beginning of the year	(14.21)	(4.69)
Remeasurement gains/(loss) on defined benefit plans [Net of Taxes]	(28.79)	(9.52)
Balance at the end of the year	(43.00)	(14.21)

*Includes cumulative impact of amounts (net of tax effect) recognised through other comprehensive income and has not been transferred to Equity or Profit and loss, as applicable.

(H) Capital Reserve	March 31, 2024	March 31, 2023
At the beginning of the year	14.69	14.69
Add: Movement during the year	-	-
Closing Balance	14.69	14.69

(I) Application money received under Employee Stock Option	March 31, 2024	March 31, 2023
At the beginning of the year	-	-
Add: Application money received pending for allotment*	1.00	-
Balance at the end of the year	1.00	-

* This is amount received for exercise of stock option under ESOP scheme 2022 for which allotment has approved subsequent to balance sheet via Board Resolution dated April 22, 2024.

22 NON-CURRENT BORROWINGS

(a) Secured Term loan

	March 31, 2024	March 31, 2023
From Bank	194.30	370.49
	194.30	370.49
Less: Current maturities of long term debt	(41.95)	(112.14)
Total non current maturities of long term borrowings	152.35	258.35

Terms & conditions of long term borrowings

- i) In case of holding company foreign currency term loan has been taken in February, 2020 in EUR from DBS Bank and is secured by term deposits of 110% of the facilities sanctioned. The said loan was taken for the purpose of acquiring a Subsidiary in China Viz. Shanghai VA Instrumentation Co. Ltd. The loan carries interest rate of 12 months EURIBOR + 1.50% p.a. and is repayable in quarterly instalments over a period of 5 years starting from September 2020 comprising of 18 equal instalments.
- ii) Lumel Alucast (Step-down Subsidiary) has obtained term loan from Bank during the financial year 2017-18. As per the Loan Agreement, the said Loan was taken for the Purpose of purchase of machinery. The Company has used such borrowings for the purposes as stated in the loan agreement. Such term loan carries interest @ 1.5% + EURIBOR 1 month. The Instalments of loans are payable over 78 instalments. During the current financial year, the loan has been closed on account of repayment as per the schedule.
- iii) Lumel SA (Step-down Subsidiary) has obtained EUR corporate investment loan obtained from ING Bank I ski S.A., Poland. The said loan is repayable in 84 equal monthly instalments beginning from October 2020 and carries an interest rate of 1 month EURIBOR + 1.38%
The loan is secured by way of collateral of a property located in Zielona Góra, Poland, ul. Mi dzyrzecka of 25 Million Polish Zloty.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

23 PROVISIONS

	Long term		Short term	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Provision for leave encashment	3.88	3.34	58.92	40.48
Provision for gratuity [Refer Note 39]	29.93	19.30	1.86	2.79
Provision for Jubilee benefits [Refer Note 39]	78.19	56.63	9.98	11.71
Provision for warranties	8.79	2.57	24.46	2.87
Other Provisions	-	-	-	2.71
Total Provisions	120.79	81.84	95.22	60.56

24 SHORT -TERM BORROWINGS

Particulars	March 31, 2024	March 31, 2023
Secured, from bank, working capital loan		
Cash credit from bank	176.15	373.89
Foreign currency working capital demand loan	-	118.31
Unsecured, Loans from related parties	177.93	165.86
Current Maturity of Long term Debts	41.95	112.13
Total short-term borrowings	396.03	770.19

Terms and conditions of short term borrowings

- (i) a. In case of holding company cash credit from State Bank of India is secured primarily by hypothecation of current assets and collateral security by mortgage over certain immovable properties of the Company. Further, the loan has a personal guarantee of the Managing Director of the Company. The cash credit is repayable on demand and carries interest rate varying between 8.27% - 9.55% p.a.
- b. Foreign currency working capital demand loan has been taken in USD and EUR from DBS Bank and is secured by term deposits of 110% of the facilities sanctioned. The loan carries interest rate of 12 months LIBOR + 1.50% p.a. and is repayable after 12 months from the date of renewal. During the current financial year the said loan has been closed on account of repayment as per the terms of borrowings.
- (ii) In Case of Lumel Alucast (Step-down Subsidiary) cash credit from ING Bank Slaski SA, Poland obtained in Euros and is secured primarily by registered pledge on inventories and mortgage over certain immovable properties of the Company. The cash credit is repayable on demand and carries interest rate of 1.25% +1% month EUROIBOR.
- (iii) In case of Lumel SA (Step-down Subsidiary) Euro cash credit from ING Bank I ski S.A. Poland has been obtained Cash credit is secured primary by registered pledge on inventories and mortgage over certain immovable properties of the company. The cash credit is repayable on demand and carries rate of 1.25%+ 1 month EURIBOR.
- (iv) In case of Shanghai VA Instrument Co. Limited China, a subsidiary company, has taken working capital loan from DBS bank China at rate of interest ranging from 4.5% to 5.7%. This borrowing is backed up by a corporate bank guarantee issued by holding company in favour of DBS Bank China through DBS Bank India.
- (vi) Loans from related parties includes following
 - a) The holding company has taken a loan from Ms. Anushree Goliya which is repayable on demand and carries an interest of 11% p.a. the said has been repaid back in current financial year.
 - b) Dhruv Enterprises Limited (A Subsidiary Company) has taken a loan from Saran Sp. Z.o.o which is repayable on demand and carries an interest of Euribor + 3%, calculated on quarterly basis.
 - c) Lumel Alucast sp. zoo (A step down Subsidiary) has taken a loan from Saran Sp. Z.o.o in November 2023 which is repayable on December 2024 and carries an interest of WIBOR + 2.5%, calculated on quarterly basis.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

25 TRADE PAYABLES

	March 31, 2024	March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	38.89	53.90
Total outstanding dues of creditors other than micro enterprises and small enterprises*	749.88	774.62
Total trade payables	788.77	828.52

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	March 31, 2024	March 31, 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	38.89	53.90
Interest	0.00	0.08
Total		
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	0.47
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	0.99	0.99

The amount reported 0.00 is below rounding off threshold limit

* Refer Note 42 for trade payables to related parties.

March 31, 2024

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	0.09	38.57	0.16	0.07	-	38.89
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	11.52	531.66	204.20	1.33	0.16	1.01	749.88
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	11.52	531.75	242.77	1.49	0.23	1.01	788.77

March 31, 2023

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	0.87	52.98	0.05	-	-	53.90
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	12.91	535.41	225.12	0.67	0.39	0.12	774.62
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	12.91	536.28	278.10	0.72	0.39	0.12	828.52



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

26 OTHER FINANCIAL LIABILITIES

Particulars	March 31, 2024	March 31, 2023
Interest accrued but not due on loan	1.02	1.04
Payable for purchase of Property, Plant and Equipment	11.22	2.72
Employee benefits payable	155.47	95.53
Payable to contract employees	4.16	6.29
Payable for IPO expense	16.57	-
Other financial liabilities	1.55	-
Total other financial liabilities	189.99	105.58

27 OTHER CURRENT LIABILITIES

Particulars	March 31, 2024	March 31, 2023
Statutory due payable	172.15	103.44
Advance from customer	171.38	113.38
Other payable	0.70	0.10
Total other current liabilities	344.23	216.92

28 CURRENT TAX LIABILITIES (NET)

Particulars	March 31, 2024	March 31, 2023
Current tax payable [Net of advance tax]	17.27	-
Total current tax liabilities	17.27	-

29 REVENUE FROM OPERATIONS

Particulars	March 31, 2024	March 31, 2023
Revenue from contracts with customers		-
- Sale of goods	6,481.02	5,495.60
- Sale of services	308.48	131.06
	6,789.50	5,626.66
Other operating revenue		
- Recovery of freight from customers on sale made	65.14	34.90
- Other services	21.25	13.50
- Export Incentives	21.57	20.34
	107.96	68.74
Total revenue from operations	6,897.46	5,695.40

Disaggregate revenue information

Particulars	March 31, 2024	March 31, 2023
Export Sales	4,426.67	3,730.98
Domestic sales	2,470.79	1,964.42
Total Revenue	6,897.46	5,695.40

Nature of Products	March 31, 2024	March 31, 2023
Metering, Control & Protection Devices	2,584.81	2,258.20
Portable Test and measurement instruments	323.00	247.00
Electrical automation	759.00	696.00
Solar string inverters	170.00	38.00
Aluminium Die casting	2,644.21	2,256.40
Total sale from products	6,481.02	5,495.60

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Nature of Services	March 31, 2024	March 31, 2023
Testing charges & duty charges	308.48	131.06
Total sale of services	308.48	131.06

Timing of Revenue Recognition	March 31, 2024	March 31, 2023
Products and services transferred at a point in time	6,567.73	5,550.84
Products and services transferred over time	329.73	144.56
	6,897.46	5,695.40

30 OTHER INCOME

Particulars	March 31, 2024	March 31, 2023
The amortised cost using effective interest rate (EIR) of non-current financial assets consisting of security deposit , term deposits with more than 12 months and Non current lease receivable and in case of non current financial liabilities consisting of long term borrowings , non current lease liability are not significantly different from the carrying amount.	52.64	40.91
Interest income on security deposits and others	1.46	0.18
Compensation received	-	5.50
Foreign exchange gains (net)	13.73	28.70
Provision for credit impairment written back	-	3.47
Public help received*	11.46	4.39
Liability written back	-	3.34
Gain on sale of Property, Plant and Equipment	0.54	2.62
Miscellaneous income	33.96	13.31
Commission Income	2.06	-
Total other income	115.85	102.41

31A COST OF MATERIAL AND COMPONENTS CONSUMED

Particulars	March 31, 2024	March 31, 2023
Inventory at the beginning of the year	1,071.49	865.87
Add: Purchases	2,822.61	2,567.54
Less: Inventory at the end of the year	(1,179.31)	(1,071.49)
Cost of raw material consumed	2,714.79	2,361.91
Less: Mould development costs capitalised	(9.94)	(11.75)
Total cost of raw material and components consumed	2,704.85	2,350.16

31B Purchase of stock in trade	296.13	259.25
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32 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	March 31, 2024	March 31, 2023
Inventories at the beginning of the year		
-Finished goods and stock in Trade	169.18	119.26
-Work-in-progress	238.91	251.91
-Stock in trade	48.22	38.97
	456.31	410.14
Less: Inventories at the end of the year		
-Finished goods and stock in Trade	174.75	169.18
-Work-in-progress	328.75	238.91
-Stock in trade	54.56	48.22
	558.06	456.31
Net decrease/ (increase)	(101.75)	(46.17)



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

33 EMPLOYEE BENEFITS EXPENSE

Particulars	March 31, 2024	March 31, 2023
Salaries, wages, bonus and other allowances	1,524.29	1,186.36
Contribution to Provident Fund, ESI, Social Benefit Fund	229.67	161.73
Gratuity and compensated absences expenses [Refer Note 39]	12.86	10.38
Employee stock option expense [Refer Note 40]	206.98	79.85
Staff welfare expenses	36.24	30.21
Less: Mould development costs capitalised (Employee)	(16.58)	(17.29)
Total employee benefits expense	1,993.46	1,451.24

34 FINANCE COSTS

Particulars	March 31, 2024	March 31, 2023
Interest on borrowing from banks	31.01	32.24
Interest on delay in payment of taxes	0.08	3.02
Interest Expense on lease liability [Refer note 41]	2.36	1.53
Interest on unsecured loans	6.43	0.99
Exchange difference adjusted to Borrowing Cost	0.90	13.72
Total finance costs	40.78	51.50

35 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	March 31, 2024	March 31, 2023
Depreciation (Refer Note 5 of Property, Plant and Equipment)	242.15	191.38
amortisation (Refer Note 7 of Intangible assets)	33.84	13.22
Total depreciation and amortisation expense	275.99	204.59

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

36 OTHER EXPENSES

Particulars	March 31, 2024	March 31, 2023
Consumption of stores and spares	62.58	52.13
Cost of contract labour	65.60	52.64
Sub-contracting charges	336.73	211.48
Testing Charges	12.51	8.09
Freight and forwarding charges	148.86	81.87
Electricity and water	231.15	210.42
Rent - Machinery	18.86	2.67
Repairs and maintenance - Others	20.62	24.00
Repairs and maintenance - Plant & Machinery	126.77	74.11
Repairs and maintenance - Buildings	5.53	4.41
Rates and taxes	66.28	5.97
Insurance	17.52	22.28
Travel and conveyance	48.97	39.79
Bank Charges	6.33	4.81
Printing & Stationery	2.62	1.60
Postage and courier	2.60	26.63
Communication, broadband and internet expenses	9.27	8.10
Legal and professional charges	9.12	7.49
Advertisement	27.88	23.30
Commission	10.31	1.90
Loss on sale/disposal of Property, Plant and Equipment	-	0.03
Warranty cost (net of reversals)	8.10	1.47
Expenditure towards Corporate Social Responsibility (CSR) activities [Refer Note 59]	3.84	3.67
Miscellaneous expenses	54.89	54.89
Total other expenses	1,296.94	923.76
Less : Mould development costs capitalised (Expenses)	(3.72)	(3.59)
	1,293.22	920.17



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

37 INCOME TAX AND DEFERRED TAX

Particulars	March 31, 2024	March 31, 2023
(A) Deferred tax relates to the following:		
Deferred tax assets		
a. On Expenses provided but allowable in Income Tax on payment basis	41.65	31.50
b. On Provision for credit impairment	0.36	1.88
c. On ESOP Reserve	-	2.99
d. On Write down of Inventories	9.67	8.25
e. On Provisions related to costs	39.45	17.98
f. On Foreign exchange fluctuations	2.68	5.20
g. On Other Timing Differences	4.52	1.17
h. On Share Issue expense	8.56	-
Total Deferred tax assets	106.88	68.96
Deferred tax liabilities		
On Difference between book depreciation and tax depreciation	104.86	93.58
On Foreign Exchange gains	3.37	2.40
On Plan Assets	1.30	1.51
On Fair valuation of ESOP	5.48	-
Total Deferred tax liabilities	115.01	97.48
Deferred tax (liability) / asset, net	(8.13)	(28.52)
(B) Reconciliation of deferred tax assets/ (liabilities) (net):		
Opening balance as of April 01 (Liability)/Asset	(28.52)	(44.44)
Tax credit recognised in Statement of Profit and Loss	(5.68)	15.02
Tax credit recognised in OCI on re-measurement of defined benefit obligations	7.12	1.75
Tax Asset / (Liability) recognised in Securities Premium	8.55	-
FCTR	10.40	(0.85)
Closing balance as at March 31, 2023	(8.13)	(28.52)
(C) Movement in deferred tax assets/ liabilities recognised in Statement of Profit and Loss		
Deferred tax charge/(Credit) on account of difference between book depreciation and tax depreciation	(9.46)	(12.42)
On Employee Benefits Provisions	(5.72)	(4.11)
On ESOP Reserve	8.46	2.22
On Foreign Exchange Fluctuations	7.93	0.60
On Provision related to Warranty & Other Costs	(9.98)	(4.55)
On Other Items	14.45	3.24
	5.68	(15.02)
(D) Income tax expense		
- Income tax expense	(141.37)	125.30
- Income tax in respect of earlier years	24.15	-
- Deferred tax charge / (credit)	5.68	(15.02)
	(111.56)	110.28
(E) Income tax (expense)/Credit charged to OCI		
Net loss/(gain) on remeasurements of defined benefit plans	7.12	1.75
Income tax (expense)/credit charged to OCI	7.12	1.75
Reconciliation of tax charge		
Profit before tax	510.48	607.15
Income tax expense at statutory rate i.e. 25.168%	128.48	152.81
Effect of differential tax rate of subsidiary	(18.02)	(38.23)
Tax on Permanent Difference	1.35	(8.13)
Tax/(Refund) relating to earlier year	24.15	3.29
Deduction on Employee stock option exercised	(24.59)	0.54
Others	(222.93)	-
Actual Tax	(111.56)	110.28

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

38 EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders of the holding company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit attributable to equity holders of the holding company (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars		March 31, 2024	March 31, 2023
Profit attributable to holders of ordinary equity shares & instrument entirely equity in nature	A	398.94	468.17
Less: preference dividend after-tax	B	-	0.00
Profit after preference dividend	C = A+B	398.94	468.17
Weighted average number of shares for basic EPS	D	37,257,901	36,462,620
Effect of dilution:			
Employee Stock options	E	359,265	226,618
Weighted average number of shares adjusted for the effect of dilution	F = D+E	37,617,166	36,689,238
Basic earning per share (INR)	G = C/D	10.71	12.84
Diluted earning per share (INR)	H = C/F	10.61	12.76

Options granted to employees under the Employee Option Plan 2022 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. Details relating to the options are set out in note 40.

Note: the amount reported above as 0.00 is below rounding off threshold

39 EMPLOYEE BENEFITS

(A) Defined Contribution Plans

Particulars	March 31, 2024	March 31, 2023
During the year, the Company has recognised the following amounts in the Statement of Profit and Loss -		
Employers' Contribution to Provident Fund, ESI & Social benefit fund (Refer note 33)	229.67	161.73
	229.67	161.73

(B) Defined benefit plans

Gratuity payable to employees

The holding company operates a defined benefit plan vis. gratuity for its employees which is required by the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least 5 years of service gets a gratuity on departure at 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance Company in the form of qualifying insurance policy [Plan Asset].

The fund is subject to risks such as asset volatility, changes in asset yields and asset liability mismatch risk. In managing the plan assets, the management of the Company reviews and manages these risks associated with the funded plan. Each year, the management of the Company reviews the level of funding in the gratuity plan. Such a review includes asset-liability matching strategy and investment risk management policy (which includes contributing to plans that invest in risk-averse markets). The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

Two material subsidiaries located in Poland Viz. Lumel Alucast & Lumel SA operates a defined benefits plan comprise of Jubilee benefits program & retirement benefit plan.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Retirement benefit is a one-time cash benefit, payable by the employer to an employee whose employment was terminated in connection with his retirement. The costs of the benefits are charged to the profit and loss account so as to spread the cost of retirement benefits for the entire period of employment in the Company, the actuarial gains and losses are taken to OCI. Liabilities related to retirement benefits are determined using the actuarial method.

The subsidiaries also operates a jubilee benefits program. The costs are charged to the profit and loss account except actuarial gains and losses which are recognized in OCI so as to spread the costs of jubilee awards for the entire period of employment in the Company. Depending on seniority, the benefit is from 100% to 800% of the minimum wage. Employee is first entitled to jubilee benefit after 15 years of work. Then the benefit is paid after every 5 years of work. Costs related to jubilee benefits are determined using the actuarial method.

Particulars	March 31, 2024	March 31, 2023
i) Actuarial assumptions		
Discount rate (per annum)	5.50% to 7.15%	7.30 % to 7.45%
Rate of increase in Salary	2.50% to 7%	2.50% to 7%
Expected average remaining working lives of employees (years)	7.12 to 21.58	7.12 to 21.58
Attrition rate	4% to 12 %	4% to 12 %
ii) Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	134.34	115.08
Interest cost	8.53	6.65
Current service cost	8.18	6.99
Benefits paid	(20.44)	(11.51)
Actuarial (gain)/ loss on obligations	35.91	12.08
Foreign currency variances (Gain)/loss	6.27	5.05
Present value of obligation at the end of the year	172.80	134.34
Changes in the Fair value of plan assets:		
Balance at the beginning	51.53	45.36
Expected return on plan assets	3.85	3.26
Contributions by employer	9.28	5.72
Benefits paid	(4.61)	(3.62)
Actuarial Gains / (Losses) on the Plan Assets	-	0.81
Balance at the end	60.05	51.53
iii) Expense recognised in the Statement of Profit and Loss		
Current service cost	8.18	6.99
Interest cost	8.53	6.65
Expected return on plan assets	(3.85)	(3.26)
Total expenses recognised in the Statement Profit and Loss	12.86	10.38
iv) Expense recognised in the Other Comprehensive Income		
Re-measurement gains/ (losses) on defined benefit plans	(35.91)	(11.27)
v) Assets and liabilities recognised in the Balance Sheet:		
Present value of funded obligation as at the end of the year	172.80	134.34
Fair value of Plan Asset at the year end	60.05	51.53
Funded net asset / (liability) recognised in Balance Sheet*	(112.75)	(82.81)
*Included in financials notes as follows		
Provision for gratuity & employee benefits (Short term & Long term) [Refer Note 23]	(119.95)	(90.45)
Plan Asset [Refer Note 12]	5.17	5.60
Net Liability Position in the balance sheet	(114.78)	(84.85)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
vi) The major categories of plan assets of the fair value of the total plan assets are as follows:		
Type of asset: group gratuity scheme of LIC of India		
Fair Value of total plan assets	60.05	51.53
% of total plan assets	100%	100%

vii) Risk Exposure

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. All plan assets are maintained in a trust fund managed by Life Insurance Corporation of India (LIC) who have been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence, 100% liquidity is ensured. Also, interest rate and inflation risk are taken care of.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in higher present value of liabilities. Further, unexpected salary increases provided at the discretion of the management may lead to uncertainties in estimating this increasing risk.

Asset-Liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralise valuation swings caused by interest rate movements. Hence, companies are encouraged to adopt asset-liability management.

viii) A quantitative sensitivity analysis for significant assumption as at March 31, 2023 and March 31, 2022 is as shown below:

Impact on defined benefit obligation

Particulars	March 31, 2024	March 31, 2023
Discount rate		
1% increase	49.50	(41.36)
1% decrease	61.17	51.27
Rate of increase in salary		
1% increase	61.03	(51.13)
1% decrease	49.53	41.38

ix) Maturity profile of defined benefit obligation

Year	March 31, 2024	March 31, 2023
1 Year		
2 to 5 Years	2.42	2.14
6 to 10 Years	13.22	11.99
More than 10 Years	24.88	20.00
	95.48	86.52



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

40 EMPLOYEE STOCK OPTION SCHEME 2009 (ESOP)

- A** The Board of holding company vide its resolution dated July 05, 2016 approved ESOP for granting Employee Stock Options in the form of Equity Shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company monitored and supervised by the Board of Directors. The eligible employees, including directors, for the purpose of ESOP 2016 will be determined from time to time.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

Particulars	March 31, 2024		March 31, 2023	
	Number	WAEP (INR, Million)	Number	WAEP (INR, Million)
Options outstanding at beginning of year (Vested)	128,031	34.97	128,031	34.97
Add:				
Options granted during the year	-	-	-	-
Less:				
Options exercised during the year	121,833	-	-	-
Options forfeited during the year*	6,198	-	-	-
Options outstanding at the end of year (Vested)	-	-	128,031	34.97
Options outstanding at the end of year (Vested) after bonus issue in the ratio of 1:1	-	-	256,062	17.49
Option exercisable at the end of year	-	-	128,031	34.97
Option exercisable at the end of year after bonus issue in the ratio of 1:1	NA	NA	256,062	17.49

In accordance with the above mentioned ESOP Scheme, INR NIL (March 31 2023 - INR NIL) has been charged to the Statement of Profit and Loss in relation to the options granted.

All the options granted pursuant to above scheme have been exercised (except forfeited options on account of not fulfilling the vesting conditions) accordingly no options are outstanding at the year ending on March 31, 2024 (March 31, 2023 2,56,062 options,) and a weighted average contractual life of all options were 1 to 4 Years.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended:

Particulars	March 31, 2024	March 31, 2023
Weighted average fair value of the options at the grant dates (INR)	273.16	273.16
Dividend yield (%)	2.29%	2.29%
Risk free interest rate (%)	7.47%	7.47%
Expected life of share options (years)	4	4
Expected volatility (%)	25.96%	25.96%
Weighted average share price (INR)	442.25	442.25

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

- B** The board of holding company vide its resolution dated September 26, 2022 approved ESOP for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period

Particulars	As at March 31,2024	As at March 31,2023
	Number	
Options outstanding at beginning of year:		
Scheme A (Exercise Price: 165)	744,000	-
Scheme B (Exercise Price: 250)	168,000	-
Add:		
Options granted during the year:		
Scheme A (Exercise Price: 165)	-	744,000
Scheme B (Exercise Price: 250)	-	168,000
Less:		
Options exercised during the year	-	-
Options forfeited during the year		
Scheme A (Exercise Price: 165)	-	-
Scheme B (Exercise Price: 250)	-	-
Options outstanding at the end of year:		
Scheme A (Exercise Price: 165)	744,000	744,000
Scheme B (Exercise Price: 250)	168,000	168,000
Option exercisable at the end of year:		
Scheme A (Exercise Price: 165)	186,000	-
Scheme B (Exercise Price: 250)	16,800	-

Scheme A represents ESOP Granted to employees of Subsidiary company

Scheme B represents ESOP Granted to employee of Rishabh Instruments Limited 'The Holding Company

In accordance with the above mentioned ESOP Scheme A & B , INR 206.98 Million (2022-23 INR 79.85 Million) has been charged to the Statement of Profit and Loss in respective periods in relation to the Employee Stock Option Scheme Compensation. [Refer Note 33]

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the Option pricing model used for the years ended:

Vesting year- Scheme A	1st Year 25%	2nd Year 25%	3rd Year 25%	4th Year 25%
Weighted average fair value of the options at the grant dates (INR)	543.31	543.31	543.31	543.31
Compounded Risk-Free Interest Rate (%)	7.02%	7.02%	7.02%	7.02%
Number of periods to Exercise (in years)	1	2	4	4
Expected volatility (%)	38.36%	38.36%	38.36%	38.36%
Weighted average share price (INR)	442.25	442.25	442.25	442.25



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Vesting year- Scheme B	1st Year 10%	2nd Year 20%	3rd Year 30%	4th Year 40%
Weighted average fair value of the options at the grant dates (INR)	483.68	483.68	483.68	483.68
Compounded Risk-Free Interest Rate (%)	7.02%	7.02%	7.02%	7.02%
Number of periods to Exercise (in years)	1	2	4	4
Expected volatility (%)	38.36%	38.36%	38.36%	38.36%
Weighted average share price (INR)	442.25	442.25	442.25	442.25

41 LEASES

A Leases where group is a lessee

i) Changes in the carrying value of Right-of-use Assets

Particulars	Category of ROU Asset			
	Office Premise	Land & Building	Plant & Machinery	Total
Balance as at March 31, 2022	4.56	4.46	167.38	176.40
Additions	2.93	7.45	-	10.38
Deletion	-	-	-	-
Depreciation	(4.13)	(0.57)	(26.52)	(31.22)
Foreign currency variances(Gain)/loss	(0.04)	(2.89)	9.45	6.51
Balance as at March 31, 2023	3.32	8.45	150.30	162.07
Additions	18.80	2.17	-	20.97
Deletion	-	-	(150.30)	(150.30)
Depreciation	(7.77)	(2.58)	-	(10.35)
Foreign currency variances(Gain)/loss	(5.98)	(2.38)	-	(8.35)
Balance as at March 31, 2024	8.37	5.66	-	14.03

ii) Changes in lease liabilities

Particulars	Category of Lease Liabilities			
	Office Premise	Land & Building	Plant & Machinery	Total
Balance as at March 31, 2022	5.66	7.90	53.95	67.51
Additions	2.93	7.45	-	10.38
Lease Payments	(5.50)	(2.70)	(41.65)	(49.84)
Foreign currency variances(Gain)/loss	0.01	0.71	1.37	2.08
Balance as at March 31, 2023	3.10	13.36	13.67	30.13
Additions	18.80	2.17	0.00	20.97
Lease Payments	(0.71)	(0.42)	(0.94)	(2.07)
Lease buyout	-	-	(12.74)	(12.74)
Foreign currency variances(Gain)/loss	(5.73)	(2.50)	-	(8.23)
Balance as at March 31, 2024	15.46	12.62	-	28.07

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)**

(Amount in INR Million except per share data and unless otherwise stated)

iii) Break-up of current and non-current lease liabilities

Particulars	March 31, 2024	March 31, 2023
Current Lease Liabilities	11.00	23.96
Non-current Lease Liabilities	17.07	6.17
	28.07	30.13

iv) Maturity analysis of lease liabilities

Particulars	March 31, 2024	March 31, 2023
Less than one year	11.00	23.96
One to five years	15.08	2.75
More than five years	1.99	3.42
Total	28.07	30.13

v) Amounts recognised in statement of Profit and Loss account

Particulars	March 31, 2024	March 31, 2023
Interest on Lease Liabilities	2.36	1.53
Depreciation on ROU Assets	10.35	31.22

vi) Amounts recognised in statement of Cash Flows

Particulars	March 31, 2024	March 31, 2023
Total Cash outflow for leases	2.07	49.84

B Leases where group is a lessor

i) Amounts recognised for Finance Lease

Particulars	March 31, 2024	March 31, 2023
-Finance income on the net investment in the lease	0.17	1.75

ii) Maturity analysis on lease payments receivable

Particulars	March 31, 2024	March 31, 2023
Less than one year	2.45	1.88
One to five years	0.13	1.96
More than five years	-	-



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

42 RELATED PARTY DISCLOSURES:

Related Party Disclosures: March 31, 2024

(A) Names of related parties and description of relationship as identified and certified by the Company:

Key Management Personnel (KMP):

Mr. Narendra Goliya (Chairman & Managing Director)
Mr. Ajinkya Joglekar (Company Secretary with effect from August 08, 2022)
Mr. Anand Laddha (CFO of Subsidiary)
Mr. Dinesh Musalekar (Group CEO w.e.f. June 30, 2023)
Mr. Vishal Kulkarni (CFO with effect from August 09, 2022)

Relatives of key Management Personnel :

Ms. Anushree Goliya (Daughter of Mr. Narendra Goliya)
Mr. Rishabh Goliya (Son of Mr. Narendra Goliya)
Mrs. Mohini Goliya (Wife of Mr. Rishabh Goliya)

Enterprises owned or significantly influenced by key management personnel, directors or their relatives:

Shanti Instruments Private Limited, India
Przedsiębiorstwo Wdrozeniowe INMEL Sp. z o.o., Poland [INMEL is also an associate entity of Lumel SA which is a Step down subsidiary of Holding Company]
SARAN Spółka Z Ograniczon Odpowiedzialno ci , Poland

Other directors :

Mr. Ramakrishnan Kottekode Parappath (Non Executive & Non Independent)
Mr. Siddharth Nandkishore Bafna (Non Executive & Independent)
Mrs. Astha Ashish Kataria (Non Executive & Independent)
Mr. Rathin Kumar Banerjee (Non Executive & Independent)
Mr. Lukasz Meissner (Non Executive & Independent)

(B) Transactions with related parties Outside the group for the year period ended March 31, 2024 and March 31, 2023 are as follows:

Particulars	March 31, 2024	March 31, 2023
A) Transactions during the year		
Sale of manufactured goods		
Shanti Instruments Pvt. Ltd.	11.04	8.86
SARAN Spółka Z Ograniczon Odpowiedzialno ci , Poland	0.41	0.11
Sale of traded goods		
Shanti Instruments Pvt. Ltd.	-	0.07
Sale of Services		
Shanti Instruments Pvt. Ltd.	0.65	0.27
SARAN Spółka Z Ograniczon Odpowiedzialno ci , Poland		-
Miscellaneous Income		
Shanti Instruments Pvt. Ltd.	2.08	1.92
Purchase of raw materials, components and traded goods		
Shanti Instruments Pvt. Ltd.	9.01	2.33
Przedsiębiorstwo Wdrozeniowe INMEL Sp. z o.o., Poland		-
Service Availed		
Shanti Instruments Pvt. Ltd.	-	-
SARAN Spółka Z Ograniczon Odpowiedzialno ci , Poland	3.06	0.87
Przedsiębiorstwo Wdrozeniowe INMEL Sp. z o.o., Poland	0.53	0.34

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
Lease Payments		
Mr. Narendra Goliya	2.99	2.99
Shanti Instruments Pvt. Ltd.	0.18	0.16
SARAN Spółka Z Ograniczon Odpowiedzialno ci , Poland		1.71
Interest expense		
SARAN Spółka Z Ograniczon Odpowiedzialno ci , Poland	2.63	4.01
Anushree Goliya	0.94	0.99
Loan Repaid		
Anushree Goliya	9.00	-
Managerial remuneration		
Key Managerial Personnel	38.54	44.64
ESOP Expense incurred for		
Key Managerial Personnel	177.61	69.86
Loan received from		
Saran Sp. Z.o.o.	83.80	
Legal and professional fees		
Shanti Instruments Pvt. Ltd.	-	-
P.K.Ramakrishnan	0.60	0.40
Employee benefit expenses		
Rishabh and Mohini Goliya	2.61	2.53

Balances with related parties Outside the group as at March 31, 2024 and March 31, 2023 are as follows:

Particulars	March 31, 2024	March 31, 2023
B) Closing balances as at the end of the year		
Trade Receivables		
Shanti Instruments Pvt. Ltd.	3.09	9.10
Saran Sp. Z.o.o.	0.15	0.03
Trade Payables		
Shanti Instruments Pvt. Ltd.	1.66	1.71
Saran Sp. Z.o.o.	79.45	2.47
Short-term borrowings		
Saran Sp. Z.o.o.	173.69	157.39
Miss Anushree Goliya	-	9.00
Remuneration payable		
Payable to KMP	3.24	3.06
Payable to relative of KMP	0.53	0.51

(C) Terms and Conditions of transactions with related parties

The Transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except borrowings and settlement occurs in cash. The managing director Mr. Narendra Goliya has given personal guarantee for working capital borrowings from SBI. For the year ended march 31, 2024 the Company has not recorded any impairment of receivables relating to amounts owned by related parties (March 31, 2023: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

43 SEGMENT REPORTING

The Group's is engaged in designing, development and manufacturing of test and measuring instruments and industrial control products. Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Group has structured its operations into single operating segment; however based on the geographic distribution of activities, the chief operating decision maker identified Asia, USA, Europe(other than Poland), Poland & others as reportable geographical segments

Revenue from customer	March 31, 2024	March 31, 2023
Asia	1,681.90	1,403.85
USA	305.49	273.48
Europe(Other than Poland)	3,338.94	2,815.47
Poland	1,464.94	1,172.05
Other	106.19	30.55
Total revenue	6,897.46	5,695.40

Non current assets *	March 31, 2024	March 31, 2023
Asia	646.47	601.62
USA	4.26	6.93
Europe(Other than Poland)	6.59	3.63
Poland	2,204.69	1,750.46
Total	2,862.01	2,362.64

* As defined in Paragraph 33(b) of Ind AS 108 " Operating Segments " non current assets excludes deferred tax assets, post employment benefits & Financial instruments

44 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The group does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings and derivative financial instruments. The Group have certain debt obligations with floating interest rates. The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations and provisions.

(i) 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 exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates. The group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Interest Rate Sensitivity	Increase/ (decrease) in basis points	Effect on profit before tax
2023-24	100	48.81
	(100)	(48.81)
2022-23	100	10.83
	(100)	(10.83)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group exposure to the risk of changes in foreign exchange rates relates primarily to the group operating activities (when revenue or expense is denominated in a foreign currency) and borrowings of the Company.

Nature of Exposure	Currency	March 31, 2024		March 31, 2023	
		Amount in F.C.	Amount in INR	Amount in F.C.	Amount in INR
Trade Receivables	USD	1.11	91.65	0.90	74.21
	EUR	9.36	842.42	8.66	773.47
	GBP	0.11	11.80	0.09	9.58
Trade Payables	USD	0.58	48.92	1.07	88.07
	EUR	3.36	301.74	2.97	265.76
	GBP	0.00	0.06	0.00	0.00
Borrowings	EUR	2.93	266.80	9.46	845.75
EEFC	USD	0.92	75.86	0.51	42.30
	EUR	0.00	0.29	0.00	0.08
	GBP	-	-	-	-
Leasing payables	EUR	-	-	0.08	7.28

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the USD, EUR, GBP exchange rate (or any other material currency), with all other variables held constant, of the group's profit before tax (due to changes in the fair value of monetary assets and liabilities). The group's exposure to foreign currency changes for all other currencies is not material.

Sensitivity

Year	Change in USD rate	Effect on profit before tax In Million INR
March 31, 2024	5%	(7.29)
	(5%)	7.29
March 31, 2023	5%	(1.42)
	(5%)	1.42



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Year	Change in EUR rate	Effect on profit before tax In Rs
March 31, 2024	5%	(40.69)
	(5%)	40.69
March 31, 2023	5%	(17.26)
	(5%)	17.26

Year	Change in GBP rate	Effect on profit before tax In Million INR
March 31, 2024	5%	0.59
	(5%)	(0.59)
March 31, 2023	5%	0.48
	(5%)	(0.48)

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, and statutory deposits with regulatory agencies.

Trade receivables

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed taking into account their financial position, past experience and other factors. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in note 14. the Company does not hold collateral as security. the Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. the Company uses expected credit loss model to assess the impairment loss.

Below table shows the movement in provision for credit impairment of trade receivable.

Particulars	March 31, 2024	March 31, 2023
Opening Balance	9.49	12.96
Add: Provision made during the year	-	-
Less Reversal of Provision	(1.21)	(3.47)
Closing Balance	8.28	9.49

Term deposits

Credit risk from balances with banks and financial institutions is managed by the group's treasury department in accordance with the group's Policy. The investment of surplus funds is made in fixed deposits which are approved by the Director. The group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amount illustrated in Note 15 & Note 16.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

(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.

The table below summarises the maturity profile of the group's financial liabilities:

March 31, 2024	less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings	396.03	-	-	396.03
Long-term borrowings	-	152.35	-	152.35
Lease payables	11.00	15.08	1.99	28.07
Trade payables	788.77	-	-	788.77
Interest accrued	1.02	-	-	1.02
Payable for capital purchases	11.22	-	-	11.22
Employee Benefits payable(including payable to contract employees)	159.63	-	-	159.63
Payable for IPO expenses	16.57	-	-	16.57
Other financial liability	1.55	-	-	1.55
	1,385.79	167.43	1.99	1,555.21

March 31, 2023	less than 1 year	1 to 5 years	More than 5 years	Total
Short term borrowings	770.19	-	-	770.19
Long-term borrowings	-	258.35	-	258.35
Lease payables	23.96	2.75	3.42	30.13
Trade payables	828.52	-	-	828.52
Interest accrued	1.04	-	-	1.04
Payable for capital purchases	2.72	-	-	2.72
Employee Benefits payable(including payable to contract employees)	101.81	-	-	101.81
	1,728.24	261.10	3.42	1,992.77

45 FAIR VALUE MEASUREMENT

Particular of financial instruments by category of classification:

Financial Asset	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Investment				
- Investment in associates	-	2.00	-	2.15
Security Deposit (Current + Non Current)	-	45.07	-	14.97
Trade receivables	-	1,294.25	-	1,209.04
Cash and cash equivalents	-	507.20	-	665.65
Bank balances other than cash and cash equivalent	-	1,040.05	-	394.87
Interest accrued on fixed deposits	-	31.42	-	9.45
Lease receivable (Current + Non Current)	-	2.58	-	3.84
Total Financial Asset	-	2,922.57	-	2,299.97



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Financial Liabilities	March 31, 2024		March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Borrowings (including current maturities of long term borrowings and short term borrowings)	-	548.38	-	1,028.54
Trade Payable	-	788.77	-	828.52
Interest accrued	-	1.02	-	1.04
Payable for purchase of Property, Plant and Equipment	-	11.22	-	2.72
Lease Liabilities	-	28.07	-	30.13
Employee Benefits payable(including payable to contract employees)	-	159.63	-	101.82
Payable for IPO expenses	-	16.57	-	-
Other financial liabilities	-	1.55	-	-
Total Financial Liabilities	-	1,555.21	-	1,992.77

46 FAIR VALUE HIERARCHY

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within 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 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

a No financial assets/liabilities have been designated at FVTPL.

b Fair Value of financial assets and liabilities measured at amortised cost

The fair value of other current financial assets, cash and cash equivalents(including term deposit) trade receivables, trade payables, lease receivable short-term borrowings, lease liabilities and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortised cost using effective interest rate (EIR) of non-current financial assets consisting of security deposit , term deposits with more than 12 months and Non current lease receivable and in case of non current financial liabilities consisting of long term borrowings , non current lease liability are not significantly different from the carrying amount.

47 CAPITAL MANAGEMENT

For the purpose of the group's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the group's capital management is to maximise the shareholder value and to ensure the group's ability to continue as a going concern.

The group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents, term loan & other loans and current borrowing represent cash credit, loan form related party & working capital loan. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets..

Particulars		March 31, 2024	March 31, 2023
Equity		5,590.15	4,010.31
Total equity	(i)	5,590.15	4,010.31
Borrowings and lease liabilities		576.45	1,058.67
Less: cash and cash equivalents		(507.20)	(665.65)
Total debt	(ii)	69.25	393.02
Overall financing	(iii) = (i) + (ii)	5,659.41	4,403.33
Gearing ratio	(ii)/ (iii)	0.01	0.09

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and year ended March 31, 2023.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

48 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	March 31, 2024	March 31, 2023
Current assets		
Inventories	1,306.10	1,148.83
Trade receivables	1,056.83	1,009.67
Cash and cash equivalents (Fixed deposits with DBS Bank India Ltd are secured)	231.49	292.29
Total Current assets pledged as security	2,594.42	2,450.79
Non-Current assets		
Land and building	77.35	188.69
Property Plant & Equipment	252.57	466.46
Total Non-Current assets pledged as security	329.92	655.15
Total Assets pledged as security	2,924.34	3,105.94

The holding company has Sanctioned limit with State Bank of India has been secured by hypothecation of first charge on stock-in-trade, present and future, consisting of raw materials, goods in process of manufacturing finished goods, and other merchandise whatsoever being movable properties and all the debts, that is, all the book debts, outstandings, monies receivables, claims, bills, invoice documents, contracts, guarantees, and rights which are now due and owing or which may at any time hereafter during the continuance of this security becomes due and owing to the Company. The loan is also supported by first charge by way of an equitable mortgage of industrial land and building (by deposit of title deeds).

The Holding company has taken foreign currency term loan from DBS Bank India Ltd on security of its term deposits.

Lumel SA (Step down subsidiary) has taken EUR corporate investment loan obtained from ING Bank I ski S.A., Poland on Collateral in the form of a contractual mortgage of up to PLN 25 Million on Property & movable fixed assets.

Lumel Alucast (Stepdown Subsidiary) has Sanctioned limit with ING I ski Bank has been secured by hypothecation of first charge on stock-in-trade, present and future, consisting of raw materials, goods in process of manufacturing finished goods, and other merchandise whatsoever being movable properties and all the debts, that is, all the book debts, outstandings, monies receivables, claims, bills, invoice documents, contracts, guarantees, and rights which are now due and owing or which may at any time hereafter during the continuance of this security becomes due and owing to the Company. The loan is also supported by first charge by way of an equitable mortgage of industrial land (by deposit of title deeds) and subservient charge on entire movable fixed assets and current assets (present and future) of the borrower.

49 COMMITMENTS

Particulars	March 31, 2024	March 31, 2023
- The estimated amount of contracts remaining to be executed on capital account and not provided for as at	321.75	176.50



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

50 CONTINGENT LIABILITIES

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. Following are the contingent liability as at Balance Sheet Date.

Particulars	March 31, 2024	March 31, 2023
A Demand notice raised by provident fund authorities in case of holding company for the period 2006-09 for provident fund payable on trainees' stipend	6.08	6.08
B The Holding Company has received legal demand notice from Ambit Energy Private Limited (the "Customer") dated April 18, 2022, through the legal counsel of the Customer claiming INR 65.80 Million towards failure to resolve technical faults and errors in inverters supplied by the Company to the Customer and towards commercial as well as potential business generation loss and Goodwill.	65.80	65.80
The holding Company has replied to the legal counsel of the Customer vide its letter dated May 11, 2022, rejecting all the claims of the Customer stating it to be unjust, illegal and with malicious intention. Further the matter is posted in District court mediation Centre, Rajkot for pre-mediation. The pre-mediation request has been refused by RISHABH because the financial claim by Complainant is malicious and with the intention to arm-twist RIPL to extract money fraudulently. RIPL has been providing and continues to provide all under warranty services till date. Hearing dated March 27, 2024 in which the Company has filed objections against the plaintiff.		
C The Holding Company has issued corporate guarantee on behalf of its wholly owned subsidiary Shanghai VA Instruments Co. Limited China to Lender bank DBS Bank China through DBS Bank India. [Borrowings outstanding in the books of subsidiary is INR 31.29 Million for as on March 31, 2024. (25.71 Million for the Financial year ended March 31, 2023)]	39.65	39.07

51 CAPITAL-WORK-IN PROGRESS & INTANGIBLE ASSETS UNDER DEVELOPMENT [CWIP & IAUD]

Capital-Work-in Progress

(a) Ageing schedule

March 31, 2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	123.91	-	-	-	123.91
Projects temporarily suspended	-	-	-	-	-

March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	76.15	-	-	-	76.15
Projects temporarily suspended	-	-	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

- (b) There are no projects as Capital Work in Progress as at March 31, 2024 and March 31, 2023, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

Intangibles under development

(a) Ageing schedule

March 31, 2024

IAUD	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	48.66	-	-	-	48.66
Projects temporarily suspended	-	-	-	-	-

- (b) There are no projects as Intangibles under development as at March 31, 2024 whose completion is overdue or cost of which has exceeds in comparison to its original plan.

52 DISCLOSURE ON BENAMI PROPERTY

The group do not have any Benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.

53 RECONCILIATION OF QUARTERLY RETURNS OR STATEMENTS OF CURRENT ASSETS FILED BY THE HOLDING COMPANY WITH BANKS OR FINANCIAL INSTITUTIONS.

March 31, 2024

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Remarks
June 01, 2023	State Bank of India	Trade Receivables	303.14	454.54	(151.41)	The difference is due to the submission to the Banks were made before financial reporting closure process. [In the quarterly statement, the Company reports trade receivables that are outstanding for less than 90 days and trade payables excluding provisions for expenses. Consequently, the books reflect amounts to that extent only.]
		Trade Payables	238.10	164.43	73.67	
		Inventories	778.83	732.60	46.23	
September 01, 2023	State Bank of India	Trade Receivables	331.68	369.22	(37.54)	
		Trade Payables	214.00	100.99	113.01	
		Inventories	793.96	787.30	6.66	
December 01, 2023	State Bank of India	Trade Receivables	232.74	289.91	(57.17)	
		Trade Payables	172.44	275.26	(102.82)	
		Inventories	870.10	852.70	17.40	
March 01, 2024	State Bank of India	Trade Receivables	281.37	362.50	(81.13)	
		Trade Payables	188.37	119.40	68.97	
		Inventories	866.27	783.80	82.47	



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

March 31, 2023

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Remarks
June 01, 2022	State Bank of India	Trade Receivables Trade Payables Inventories	326.41 175.12 615.99	326.41 177.71 577.17	0.00 (2.59) 38.83	The difference is due to the submission to the Banks were made before financial reporting closure process. [In the quarterly statement, the Company reports trade receivables that are outstanding for less than 90 days and trade payables excluding provisions for expenses. Consequently, the books reflect amounts to that extent only.]
September 01, 2022	State Bank of India	Trade Receivables Trade Payables Inventories	313.15 290.99 755.15	371.88 221.74 679.03	(58.73) 69.25 76.12	
December 01, 2022	State Bank of India	Trade Receivables Trade Payables Inventories	345.52 180.15 675.12	345.52 178.25 675.12	0.00 1.91 0.00	
March 01, 2023	State Bank of India	Trade Receivables Trade Payables Inventories	373.11 251.59 752.94	410.50 206.63 652.25	(37.40) 44.96 100.71	

54 WILFUL DEFAULTER

None of the entities in the group have been declared as wilful defaulter by any bank or financial institution or any government authority.

55 RELATIONSHIP WITH STRUCK OFF COMPANIES UNDER SECTION 248 OF THE COMPANIES ACT, 2013 OR SECTION 560 OF COMPANIES ACT, 1956,

The group do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

56 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The group have complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

57 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:

- (i) The group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ii) The group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the 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,

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

58 STATUTORY GROUP INFORMATION

Name of the entity in the group	Office Premise	Net Assets, i.e., total assets minus total liabilities	As % of consolidated net assets	Share in profit and loss	As % of consolidated profit and loss	Share in other Comprehensive income	As % of consolidated other comprehensive income	Share in total Comprehensive income	As % of consolidated total comprehensive income
Parent									
	Rishabh Instruments Limited								
	Balance as at March 31, 2023	60.65%	2,432.35	39.89%	186.76	-1.04%	(0.74)	34.48%	186.02
	Balance as at March 31, 2024	66.35%	3,709.04	81.65%	323.84	-2.07%	(4.44)	52.28%	319.40
Subsidiaries									
Indian									
1	EnergySolution Labs Private Limited								
	Balance as at March 31, 2023	0.40%	16.10	(0.68%)	(3.17)	0.00%	-	(0.59%)	(3.17)
	Balance as at March 31, 2024	0.16%	8.91	(1.83%)	(7.27)	0.00%	-	(1.19%)	(7.27)
Foreign									
1	Dhruv Enterprises Limited, Cyprus								
	Balance as at March 31, 2023	24.39%	978.03	6.88%	32.19	83.67%	59.70	17.03%	91.89
	Balance as at March 31, 2024	17.64%	986.21	0.48%	1.90	2.64%	5.67	1.24%	7.57
2	Sifam Tinsley Instrumentation Inc., USA								
	Balance as at March 31, 2023	-0.13%	(5.37)	1.66%	7.76	(2.22%)	(1.59)	1.14%	6.18
	Balance as at March 31, 2024	0.20%	11.00	4.13%	16.37	(1.99%)	(4.26)	1.98%	12.11



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Name of the entity in the group	Office Premise	Net Assets, i.e., total assets minus total liabilities	As % of consolidated net assets	Share in profit and loss	INR	Share in other Comprehensive income	As % of consolidated other comprehensive income	INR	Share in total Comprehensive income	As % of consolidated total comprehensive income	INR
3	Lumel Spółka Akcyjna, Poland										
	Balance as at March 31, 2023	14.58%		16.44%	584.56	20.68%		76.97	14.76	17.00%	91.73
	Balance as at March 31, 2024	15.42%		41.90%	862.04	5.81%		166.16	12.46	29.24%	178.62
4	Lumel Alucast Spółka Z Ograniczon Odpowiedzialno ci , Poland										
	Balance as at March 31, 2023	42.99%		38.87%	1,724.23	98.09%		181.98	69.99	46.70%	251.97
	Balance as at March 31, 2024	33.58%		(8.25)%	1,877.11	62.48%		(32.74)	133.93	16.56%	101.19
5	Sifam Tinsley Instrumentation Limited, UK										
	Balance as at March 31, 2023	2.22%		8.96%	89.21	3.41%		41.93	2.43	8.22%	44.36
	Balance as at March 31, 2024	1.70%		3.42%	94.90	1.51%		13.55	3.24	2.75%	16.80
6	Shanghai VA Instruments Co. Ltd, China										
	Balance as at March 31, 2023	0.55%		(4.19)%	22.10	1.53%		(19.60)	1.09	(3.43)%	(18.51)
	Balance as at March 31, 2024	0.56%		(9.15)%	31.41	(0.96)%		(36.28)	(2.05)	(6.27)%	(38.32)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

Name of the entity in the group	Office Premise	Net Assets, i.e., total assets minus total liabilities	Share in profit and loss	Share in other Comprehensive income	Share in total Comprehensive income	INR	INR
		As % of consolidated net assets	As % of consolidated profit and loss	As % of consolidated other comprehensive income	As % of consolidated total comprehensive income		
Less: Share of Non-controlling interests in all subsidiaries							
	Balance as at March 31, 2023	(1.92%) (76.85)	(6.13%) (28.70)	1.70% (0.75%)	(5.09%) (27.48)	1.22	(3.95)
	Balance as at March 31, 2023	(0.85%) (47.58)	(0.59%) (2.33)			(1.61)	
Associates							
Foreign							
1	Przedsiębiorstwo Wdrozeniowe INMEL Sp. z o.o.						
	Balance as at March 31, 2023	0.05% 2.15	0.02% 0.09	0.00% 0.00%	0.02% 0.09	-	0.09
	Balance as at March 31, 2024	0.04% 2.00	(0.04%) (0.15)	0.00% -	(0.03%) (0.15)	-	(0.15)
Adjustments arising out of consolidation & intercompany elimination							
	Balance as at March 31, 2023	(43.79%) (1,756.21)	(1.72%) (8.05)	(105.82%) (75.50)	(15.49%) (83.56)	(75.50)	(83.56)
	Balance as at March 31, 2024	(34.79%) (1,944.89)	(11.72%) (46.45)	33.32% 71.43	4.09% 24.97	71.43	24.97
Total	Balance as at March 31, 2023	100.00% 4,010.31	100.00% 468.17	100.00% 71.35	100.00% 539.52	71.35	610.98
	Balance as at March 31, 2024	100.00% 5,590.15	100.00% 396.61	100.00% 214.37	100.00% 610.98	214.37	610.98



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

59 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, The holding company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are charity to educational institute, animal welfare, social welfare etc. A CSR committee has been formed by the holding company as per the Act. The funds are utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

A	Particulars	March 31, 2024	March 31, 2023
	Gross Amount required to be spent as per Section 135 of the Act	3.84	3.35
	Add: Amount Unspent from previous years	-	-
	Total Gross amount required to be spent during the year	3.84	3.35
B	Amount approved by the Board to be spent during the year	7.18	3.67
C	Amount spent during the year on		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above	7.18	3.67

D Details related to amount spent

Particulars	March 31, 2024	March 31, 2023
Contribution to Charitable Trust	7.18	3.67
TOTAL	7.18	3.67

E Details of excess CSR expenditure -2023-24

Nature of Activity	Balance excess as at April 01, 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2024*
Contribution to Charitable Trust	-	3.84	7.18	3.34

Details of excess CSR expenditure - 2022-23

Nature of Activity	Balance excess as at April 01, 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2023
Contribution to Charitable Trust	-	3.67	3.67	-

* Excess CSR balane has been transferred to prepared expense to claim in subsequent year.

60 UNDISCLOSED INCOME

The Group do not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

61 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

62 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The holding company has not entered into any scheme of arrangement

63 IPO EVENT & UTILISATION OF MONEY RAISED THROUGH PUBLIC ISSUE.

The Holding Company has completed an Initial Public Offer ('IPO') of 1,11,28,858 shares at the face value of INR 10 each at the issue price of INR 441 per share, comprising of offer for sale 94,28,178 shares by Selling Shareholders and fresh issue of 17,00,680 shares aggregating to INR 4907.83 Million. The equity shares of the holding company were listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') on September 11, 2023.

Accordingly, the Holding Company has raised INR 750 Million through public issue of fresh equity shares, mainly with an objective of financing the cost towards the expansion of Nashik Manufacturing Facility I and for general corporate purposes. The Holding Company has estimated to incur expenses aggregating INR 42.50 Million towards the initial public offering for issue of fresh equity shares. Given below are the details of Utilisation of proceeds raised through public issue during the year ended March 31, 2024.

Particulars	March 31, 2024
Unutilised amount at the beginning of the year	-
Amount raised through public issue	750.00
Less - Share Issue Expenses relating to fresh offer	(42.50)
Net IPO Proceeds available for Utilisation	707.50
Less: amount utilised during the year	
Payment towards financing the cost of Nashik Manufacturing Facility I	1.18
Payment towards general corporate purpose	76.31
Add: Interest Received on Utilised funds & Others	
Add: Interest received on funds re-invested during the year	22.77
Amount Un-utilised at the year end	652.78

Details of short-term investments made from unutilised portion of public issue raised during the year ended March 31, 2024:

Particulars	March 31, 2024
Balance amount in current account	0.00
Investment in fixed deposits of banks	652.78
	652.78

Note: Amount reported as 0.00 is below rounding off threshold

64 COMPLIANCE WITH SECTION 143 (3) FOR MAINTENANCE OF BOOKS OF ACCOUNT

With effect from August 05, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Indian Companies including foreign branches is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis. The Holding Company and its subsidiary located in India have a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(Amount in INR Million except per share data and unless otherwise stated)

65 EVENTS AFTER THE REPORTING PERIOD

No Significant Subsequent events have been observed which may require an adjustments to the financial statements.

66 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

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

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration Number: 105047W

Nitin Manohar Jumani

Partner

Membership No: 111700

Place: Pune

Date: May 29, 2024

For and on behalf of the Board of Directors

Rishabh Instruments Limited (Formerly known as Rishabh Instruments Private Limited)

CIN:L31100MH1982PLC028406

Narendra Goliya

Chairman and Managing Director

DIN: 00315870

Place: Nashik

Date: May 29, 2024

P.K.Ramakrishnan

Non-Executive Director

DIN: 00304272

Place: Nashik

Date: May 29, 2024

Ajinkya Joglekar

Company Secretary

Membership No: A57272

Place: Nashik

Date: May 29, 2024

Vishal Kulkarni

Chief Financial Officer

Place: Nashik

Date: May 29, 2024

NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the members of **Rishabh Instruments Limited** (“the Company” or “RIL” will be held on Friday the 13th day of September 2024 at 1400 Hours IST through Video Conferencing (“VC”)/Other Audio-Visual Means (“OVAM”) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. P. K. Ramakrishnan (DIN: 00304272) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. P. K. Ramakrishnan (DIN: 00304272) who retires by rotation and is eligible offers himself for re-appointment be and is hereby re-appointed as Director of the Company liable to retire by rotation.”

3. To appoint a Director in place of Mr. Narendra Goliya (DIN: 00315870) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment

“RESOLVED THAT Pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Narendra Goliya (DIN: 00315870) who retires by rotation and is eligible offers himself for re-appointment be and is hereby re-appointed as Director of the Company liable to retire by rotation.”

SPECIAL BUSINESS

4. **To approve the continuation of the Directorship of Mr. P. K. Ramakrishnan (DIN: 00304272) as Non-Executive Director beyond the age of 75 years:**

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

“RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 (as amended), Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable Rules made thereunder, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, consent of the Members be and is hereby accorded for the continuation of Directorship of Mr. P. K. Ramakrishnan (DIN: 00304272), to continue to be a Non-Executive Director of the Company, who shall liable to retire by rotation, notwithstanding he is attaining the age of Seventy-Five (75) years.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Key Managerial Personnel of the Company for the time being are hereby severally authorised to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or desirable to give effect to this resolution.”

5. **To approve the continuation of the Directorship of Mr. Rathin Banerjee (DIN: 02101072) as Non-Executive Independent Director beyond the age of 75 years:**

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

“RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable Rules and Schedules made thereunder, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, consent of the Members be and is hereby accorded for the continuation of Directorship of Mr. Rathin Banerjee (DIN: 02101072), to continue to be a Non-Executive Independent Director of the Company, notwithstanding he is attaining the age of Seventy-Five (75) years and he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Key Managerial Personnel of the Company for the time being are hereby severally authorised to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or desirable to give effect to this resolution.”

6. **To approve Amendment in ESOP Plan 2022 Scheme A:**

To consider and if thought fit, to pass with or without



NOTICE (Contd.)

modification, the following resolution as Special Resolution:

“RESOLVED THAT in partial modification to an earlier resolution passed by the Board and Shareholders dated September 26, 2022, and any other resolution(s), if passed in this regard and pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, Companies (Share Capital and Debentures) Rules, 2014 and all other rules framed thereunder, the Memorandum and Articles of Association of the Company, the SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2021 (“SEBI Guidelines”) and all applicable rules and regulations issued by the Securities and Exchange Board of India and any other applicable laws, including any statutory modification or re-enactment thereof, consent of the Members be and is hereby accorded to modify the Employee Stock Option Plan 2022 Scheme A and to carry out the following amendments/ modifications to the said Scheme:

To amend and modify clause 2.2 i.e. “Exercise Period” shall mean a period of three (3) months with effect from the date of receipt of In-Principal approval from the Recognised Stock Exchanges for the first twelve (12) months of vesting, and twelve (12) months for the subsequent years as outlined in Clause 6.1.

RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares allotted pursuant to the exercise of options under the Scheme shall rank pari passu inter se and with the existing equity shares of the Company, in all respects.

RESOLVED FURTHER THAT the Company shall conform to the Accounting Policies prescribed from time to time under the SEBI Guidelines and any other applicable laws and regulations to the extent relevant and applicable to the Scheme and that the ESOP Plan 2022 Scheme A is hereby ratified.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Board which term shall be deemed to include the Nomination and Remuneration Committee or any other relevant Committee of the Board, which the Board has constituted to exercise its powers be and is hereby authorised to make modifications, changes, variations or amend, any of the terms and conditions of ESOP Plan 2022 as it may deem fit from time to time in its sole and absolute discretion, subject to the conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, SEBI Guidelines, the terms specified in this

resolution and any other applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution any Director or KMP of the Company, be and are hereby severally authorised to take such steps as may be necessary and to settle any matters arising out of or incidental thereto and sign and execute deeds, applications, documents and writings that may be required on behalf of the board of directors and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution including but not limited to any statutory filings with the Ministry of Corporate Affairs, stock exchanges and/ or any other statutory or regulatory authority as required under the applicable laws and regulations.”

7. To approve Options Granted to the Employee of Subsidiary Company under ESOP Plan 2022 Scheme A (Mr. Dineshkumar Musalekar, President Lumel SA and Lumel Alucast):

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

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act 2013 and rules made thereunder, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the “SEBI SBEB Regulations”), the Memorandum and Articles of Association of the Company, the resolutions passed by the Board and Shareholders dated September 26, 2022, consent of the Members be and is hereby accorded for approval of options granted to the Employee of Subsidiary Company i.e. Mr. Dineshkumar Musalekar, President Lumel LA and Lumel Alucast, under and Employee Stock Option Plan 2022 – Scheme A on such terms and conditions as may be fixed or determined by the Board of Directors of the Company in accordance with the provisions of the applicable laws or guidelines issued by the relevant authority.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to issue and allot equity shares upon exercise of options from time to time in accordance with the ESOP 2022 Scheme A and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorised to update, maintain and preserve ‘The Register of Employee

NOTICE (Contd.)

Stock Options-SH 6' in the prescribed format pursuant to Section 62[1][b] of the Companies Act, 2013 and rule 12[10] of The Companies [Share Capital and Debentures] Rules, 2014.

RESOLVED FURTHER THAT Mr. Narendra Goliya, Chairman and Managing Director and/or Mr. P.K. Ramakrishnan, Director of the Company be and are hereby authorised to do all such acts, deeds, and things, as may be deemed necessary for giving effect to the above-stated resolution.

8. To approve options granted to the employees of Subsidiary Company under ESOP Plan 2022 Scheme A exceeding 1% (up to 2%) of the Issued Capital of the Company (Mr. Dineshkumar Musalekar, President Lumel SA and Lumel Alucast):

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act 2013 and rules made thereunder, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SEBI SBEB and SE Regulations"), the Memorandum and Articles of Association of the Company, the resolutions passed by the Board and Shareholders dated September 26, 2022, consent of the Members be and is hereby accorded for approval of Options granted to the Employee of Subsidiary Company i.e. Mr. Dineshkumar Musalekar, President Lumel SA and Lumel Alucast under ESOP Plan 2022 Scheme A exceeding 1% (Up to 2%) of the issued capital of the Company on such terms and conditions as may be fixed or determined by the Board of Directors of the Company in accordance with the provisions of the applicable laws or guidelines issued by the relevant authority.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to issue and allot equity shares upon exercise of options from time to time in accordance with the ESOP 2022 Scheme A and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorised to update, maintain and preserve 'The Register of Employee Stock Options-SH 6' in the prescribed format pursuant to Section 62[1][b] of the Companies Act, 2013 and rule 12[10] of The Companies [Share Capital and Debentures] Rules, 2014.

RESOLVED FURTHER THAT Mr. Narendra Goliya, Chairman and Managing Director and/or Mr. P.K. Ramakrishnan, Non-Executive Director of the Company be and are hereby authorised to do all such acts, deeds, and things, as may be deemed necessary for giving effect to the above-stated resolutions."

9. To change the designation of Mr. Dineshkumar Musalekar (DIN: 02039938) from Group Chief Executive Officer to Whole Time Director of the Company:

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company approval of the Members of the Company be and is hereby accorded for change in designation of Mr. Dineshkumar Musalekar (DIN: 02039938) from Group Chief Executive Officer to Whole time Director of the Company for a period of 5 (Five) years with effect from August 09, 2024 on the terms and conditions including remuneration (including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the explanatory statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment including remuneration in such manner as may be agreed between the Board of Directors and Mr. Dineshkumar Musalekar.

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

10. To approve variation in the terms of the contract or objects of the Issue:

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



NOTICE (Contd.)

“RESOLVED THAT pursuant to Sections 13 and 27 of the Companies Act, 2013 (the “Act”) and other applicable provisions if any, of the Act read with Rule 32 of the Companies (Incorporation) Rules, 2014 and Rule 7 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and other applicable rules, regulations, guidelines and other statutory provisions for the time being in force, if any, and such other approvals, permissions and sanctions, as may be necessary, consent of the Members be and is hereby accorded to the Board of Directors of the Company, to vary the terms of the object referred to in the Initial Public Offering (“IPO”) Prospectus of the Company dated September 4, 2023 (the “Prospectus”), filed by the Company with the Registrar of Companies, Mumbai and the Securities and Exchange Board of India, by way of deploying and/or utilise an amount of INR 300 Million of the existing object towards Expansion of “Manufacturing Facility II” situated at “Trishala, C-6, MIDC, Satpur, Nashik, Maharashtra 422007”;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval and ratification thereto expressly by the authority of this resolution.”

11. To consider and fix the remuneration of the Cost Auditor for 2024-25:

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Hareesh K. Shetty & Co., Cost Accountant (Firm Registration Number 101879) appointed as Cost Auditors by the Board of Directors

of the Company, to conduct the audit of the cost records of the Company be paid INR 60,000/- (Rupees Sixty Thousand Only) plus out of pocket expenses for the financial year ending March 31, 2025.

RESOLVED FURTHER THAT Mr. Narendra Goliya, Chairman and Managing Director of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

12. To approve the grant of options to employees of the Company under the Employee Stock Option Plan 2022 – Scheme B:

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

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act 2013, rule 12(4)(a) of the Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the “SEBI SBEB and SE Regulations”) the Memorandum and Articles of Association of the Company and such other approvals, permissions and sanctions as may be necessary and based on the recommendations of the Nomination and Remuneration Committee and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the Company do hereby to create, offer, issue and allot at any time to or to the benefit of such person(s), whether working in India or outside India who are or would be in permanent employment of the Company’s Subsidiaries and any Director of the Company’s Subsidiaries, whether Whole Time or Otherwise, options exercisable into shares or securities convertible into equity shares within the overall ceiling equity shares out of the Unissued Authorised Share Capital of the Company, under Employee Stock Option Plan 2022 – Scheme B on such terms and conditions as may be fixed or determined by the Board of Directors of the Company in accordance with the provisions of the applicable laws or guidelines issued by the relevant authority.

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013 and the Rules made thereunder as amended from time to time or any other law for the time being in force including any statutory modification or amendment thereto or enactment thereof for the time being in force and accordance with the Articles of Association of the Company, and subject to such other approvals,

NOTICE (Contd.)

permissions and sanctions as may be necessary from time to time, consent of the Members of the Company be and is hereby accorded to grant the Stock Options under the 'Employee Stock Option Plan 2022' Scheme B to the present and future employees of the Company's Subsidiaries, from time to time on such terms and conditions as contained in the ESOP Plan 2022 Scheme-B and summarised in the Explanatory Statement annexed hereto and that the ESOP Plan 2022 Scheme B is hereby ratified.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, for the purpose of making a fair and reasonable adjustment, the number of options to be granted and/or the exercise price payable under the ESOP Scheme shall be appropriately adjusted, without affecting any other rights or obligations under the ESOP Scheme.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to issue and allot equity shares upon exercise of options from time to time in accordance with the ESOP Scheme and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the ESOP Scheme shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of INR 10 (Ten) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said option grantees.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the said ESOP scheme as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company and any other applicable laws for the time being in force.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorised to update, maintain and preserve 'The Register of Employee Stock Options-SH 6' in the prescribed format pursuant to Section 62[1][b] of the Companies Act, 2013 and rule 12[10] of The Companies [Share Capital and Debentures] Rules, 2014.

RESOLVED FURTHER THAT Mr. Narendra Goliya, Chairman and Managing Director and/or Mr. P.K. Ramakrishnan, Non-Executive Director of the Company be and are hereby authorised to do all such acts, deeds, and things, as may be deemed necessary for giving effect to the above-stated resolutions."

13. To approve grant of options to the employees of subsidiaries of the Company under the Employee Stock Option Plan 2022, Scheme B:

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act 2013, rule 12(4)(a) of the Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SEBI SBEB and SE Regulations") the Memorandum and Articles of Association of the Company and such other approvals, permissions and sanctions as may be necessary and based on the recommendations of the Nomination and Remuneration Committee and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the Company do hereby to create, offer, issue and allot at any time to or to the benefit of such person(s), whether working in India or outside India who are or would be in permanent employment of the Company's Subsidiaries and any Director of the Company's Subsidiaries whether Whole Time or Otherwise, options exercisable into shares or securities convertible into equity shares within the overall ceiling equity shares out of the Unissued Authorised Equity Share Capital of the Company, under Employee Stock Option Plan 2022 Scheme B on such terms and conditions as may be fixed or determined by the Board of Directors of the Company in accordance with the provisions of the applicable laws or guidelines issued by the relevant authority.

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013 and the Rules made thereunder as amended from time to time or any other law for the time being in force including any statutory modification or amendment thereto or enactment thereof for the time being in force and in accordance with the Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary from time to time, consent of the members of the Company be and is hereby accorded to grant the



NOTICE (Contd.)

stock options under the 'Employee Stock Option Plan 2022' Scheme B to the present and future employees of the Company's Subsidiaries from time to time on such terms and conditions as contained in the ESOP Plan 2022 Scheme-B and summarised in the Explanatory Statement annexed hereto and that the ESOP Plan 2022 Scheme B is hereby ratified.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, for the purpose of making a fair and reasonable adjustment, the number of options to be granted and/or the exercise price payable under the ESOP Scheme shall be appropriately adjusted, without affecting any other rights or obligations under the ESOP Scheme.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to issue and allot equity shares upon exercise of options from time to time in accordance with the ESOP Scheme and such equity shares shall rank pari-passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the ESOP 2022 Scheme B shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of INR 10 (Ten) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said option grantees.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the said ESOP scheme as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company and any other applicable laws for the time being in force.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorised to update, maintain and preserve 'The Register of Employee Stock Options-SH 6' in the prescribed format pursuant to Section 62[1][b] of the Companies Act, 2013 and rule 12[10] of The Companies [Share Capital and Debentures] Rules, 2014.

RESOLVED FURTHER THAT Mr. Narendra Goliya, Chairman and Managing Director and/or Mr. P.K. Ramakrishnan, Non-Executive Director of the

Company be and are hereby authorised to do all such acts, deeds, and things, as may be deemed necessary for giving effect to the above-stated resolutions."

14. To adopt a new set of Memorandum of Association as per the Companies Act, 2013:

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

"RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof for the time being in force and the rules made thereunder and in accordance with Table A of Schedule I of the Companies Act, 2013 and subject to such other requisite approvals, if any, from the appropriate authorities, the approval of the Members of the Company be and is hereby accorded to substitute the existing Memorandum of Association ("MOA") of the Company with a new set of MOA as per the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT in accordance with Table A of Schedule I of the Act, **Clause III. A. and III. B.** of the existing MOA be renamed and read as under:

Clause III. A. - "THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:"

Clause III.B. - "MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III. A. ARE:"

RESOLVED FURTHER THAT Clause III. C. be deleted entirely and all sub-clauses from 26 to 45 appearing in the existing **Clause III. C.** be inserted under **Clause III. B** of the new set of MoA.

RESOLVED FURTHER THAT Clause IV. be amended and read as under **Clause IV.** - The liability of the Member(s) is limited, and this liability is limited to the amount unpaid, if any, on the shares held by them.

RESOLVED FURTHER THAT the word "Companies Act, 1956" be substituted with the word "Companies Act, 2013" wherever appears in the existing MOA of the Company.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all such actions and steps for the purpose of making all such filings as may be required in relation to the aforesaid adoption of Memorandum of Association and further to do all such acts and deeds, matters and things as may be deemed necessary to give effect to this resolution."

NOTICE (Contd.)

15. To approve the extension of the time limit for the utilisation of funds raised in the Initial Public Offer (IPO)

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

“RESOLVED THAT in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and any other applicable provisions made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force and as outlined in the Prospectus of the Company, consent of the Members be and is hereby accorded to approve the extension of time limit for the utilisation of the funds raised in the Initial Public Offer of the Company to a further period of 5 years with effect from the date of this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to execute and deliver any documents and to do all acts and things necessary to give effect to the above resolutions.

RESOLVED FURTHER THAT any actions taken by the Board of Directors of the Company prior to the adoption of this resolution in connection with the proposal for extension of the time limit for the utilisation of IPO proceeds be and are hereby ratified and approved.”

NOTES:

- In view of the COVID-19 pandemic, Ministry of Corporate Affairs has vide General Circular no. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 (collectively referred to as “MCA Circulars”) and the Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”)

or Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the “Companies Act” or the “Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM. National Securities Depository Limited (“NSDL”) will be providing facility for voting through remote e-voting, for participation in the AGM through VC/ OAVM facility and e-voting during the AGM. The registered office of the Company shall be deemed to be the venue of the AGM

- The details as stipulated under Regulation 36(3) of Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India, in respect of the director seeking re-appointment under Item No. 2 and 3 of this Notice, are annexed
- An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of special business to be transacted at the Annual General Meeting (AGM), as set out under Items No. 4 to 15 is annexed hereto
- The Members of the Company had approved the appointment of M/s. MSKA & Associates, Chartered Accountants, as the Statutory Auditors at the Thirty-Ninth AGM of the Company which is valid till Forty-Fourth AGM of the Company to be held in 2026-27. In accordance with the Act, the appointment of Statutory Auditors is not required to be ratified at every AGM
- As the AGM shall be conducted through VC/ OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice
- Institutional/ Corporate Members (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/ authorisation etc., authorising its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said resolution/ authorisation shall be sent by email through its registered email address to cs@rishabh.co.in with a copy marked to einward.ris@kfintech.com
- Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 (“the Act”)
- The Company's equity shares are listed at BSE



NOTICE (Contd.)

Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051 and the Company has paid the Annual Listing Fees to the Stock Exchanges for 2024-25

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s)
11. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically
12. Pursuant to Section 72 of the Companies Act, 2013, 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
13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14. The said forms can be downloaded from the Company's website at <https://rishabh.co.in/>
14. In compliance with the aforesaid MCA Circulars dated December 28, 2022 and September 25, 2023 and SEBI Circular dated January 05, 2023 read with circular issued by MCA dated May 05, 2022, January 13, 2021 and May 12, 2020 and SEBI Circular dated May 13, 2022 and October 07, 2023 read with Circular dated January 15, 2021, notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website <https://rishabh.co.in/> and website of BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at <https://www.nseindia.com/>. In case any member is desirous of obtaining hard copy of the Annual Report for 2023-24, he/she may send request to the Company's email id at cs@rishabh.co.in mentioning their Folio No./DP ID and Client ID
15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company before 7 days of the date of AGM through email on cs@rishabh.co.in. The same will be replied by the Company suitably
16. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request/ questions to the Company via email cs@rishabh.co.in in advance from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile numbers, at least (7) seven days prior to the AGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM on first in- first out basis. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM
17. During the AGM, the necessary Statutory Registers, certificates and other documents if any shall be available for inspection by the Members
18. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company is pleased to provide E-voting facility through <https://www.evoting.nsdl.com/> for all the members of the Company to enable them to cast their votes electronically
19. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member as on the cut-off date i.e. September 06, 2024. A person, whose name is recorded in the register of members by the depositories as on the cut-off date, i.e. September 06, 2024 only, shall be entitled to avail the facility of e-voting / Poll
20. The remote e-voting period begins on **September 10, 2024** from 9:00 A.M. (IST) and ends on **September 12, 2024** at 05:00 P.M. (IST)
21. The Board of Directors of the Company has appointed Mr. Hrishikesh Wagh of M/s. KANJ & Co., LLP Company Secretaries in Practice as Scrutiniser to scrutinise the

NOTICE (Contd.)

e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose

22. The Scrutiniser, after scrutinising the votes cast at the meeting through e-voting and through remote e-voting will, not later than 2 Working Days of conclusion of the Meeting, make a Consolidated Scrutiniser's Report and submit the same to the Chairman. The results declared along with the Consolidated Scrutiniser's Report shall be placed on the website of the Company <https://rishabh.co.in/> and the results shall simultaneously be communicated to the BSE Limited and National Stock Exchange of India Limited
23. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting

NSDL E-VOTING SYSTEM FOR E-VOTING AND JOINING VIRTUAL MEETING:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will

not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis

4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at <https://rishabh.co.in/>. The Notice can also be accessed from the 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 and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021



NOTICE (Contd.)

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on September 10, 2024, at 09:00 A.M. and ends on September 12, 2024 at 05:00 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 / Beneficial Owners as on the record date (cut-off date) i.e. September 06, 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 cut-off date, being September 06, 2024.

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


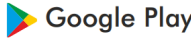


A) Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.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 If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider 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

NOTICE (Contd.)

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience</p> <p>NSDL Mobile App is available on</p> <p>   </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 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 enters existing my easi username & password 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 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
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>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.</p>

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



NOTICE (Contd.)

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 and 022 - 2499 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 meetings 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?

1. 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
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section
3. 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 a 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 a 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 the 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 email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email 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'

NOTICE (Contd.)

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email 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, the Home page of e-Voting will open

Step 2: Cast your vote electronically and join the General Meeting on the NSDL e-Voting system.

How to cast your vote electronically and join the General Meeting on the 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 the Company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. To join the virtual meeting, you need to click on the “VC/OAVM” 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 authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to hishikesh.wagh@kanjcs.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 to 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 and 022 - 2499 7000 or send a request at evoting@nsdl.com

Process for those shareholders whose email 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



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- copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@rishabh.co.in
- 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 cs@rishabh.co.in. If you are an Individual shareholder 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 meetings for Individual shareholders holding securities in demat mode.
 - 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.
 - In terms of SEBI circular dated December 09, 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 email 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 EGM/AGM ARE AS UNDER:-

- The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting
- Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM
- Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting

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

- Member will be provided with a facility to attend the EGM/AGM through VC/OAVM 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/OAVM" placed under "Join meeting" menu against Company name. You are requested to click on VC/OAVM link placed under **Join Meeting** menu. The link for VC/OAVM 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
- Members are encouraged to join the Meeting through Laptops for better experience
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting
- 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 a Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches
- Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, and mobile number at cs@rishabh.co.in. The same will be replied to by the Company suitably

ANNEXURE TO THE NOTICE

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by The Institute of Company Secretaries of India, the following information is furnished about the Directors proposed to be re-appointed/appointed

Name of Director	Mr. Narendra Joharimal Goliya	Mr. Parappath Kottekode Ramakrishnan	Mr. Dineshkumar Musalekar
DIN No.	00315870	00304272	02039938
Date of Birth	September 20, 1951	September 29, 1949	October 13, 1971
Nationality	Indian	Indian	Indian
Date of Appointment	Since Incorporation	April 17, 2009	August 9, 2024
Qualifications	Bachelor's degree in technology (electrical engineering) from the Indian Institute of Technology, Bombay and a master's degree in science from the Leland Stanford Junior University	Bachelor's degree in science (Mechanical Engineering) from the University of Kerala.	Graduate in Electronics and Communications Engineering. MBA in human resource management. Executive Development Programme from Henley University, Oxford UK
Expertise in specific functional areas	Expertise in Electrical and Microelectronics Engineering, Entrepreneurial Leadership in Electronics and Instrumentation, Industrial Development and Cluster Promotion and Philanthropy and Educational Involvement.	Installation of equipment and maintenance, Factory Setup and Operations, Expertise in Production	Operations, Business Development, Product development, Manufacturing and Technology.
Directorships held in other companies	Indian Companies: <ul style="list-style-type: none"> Energysolution Labs Private Limited Ivaan Foundation Nashik Engineering Cluster Nashik Exhibition and Business Council Nashik Manav Sewa Foundation. Foreign Companies: <ul style="list-style-type: none"> Lumel Alucast (Supervisory Board) Lumel SA (Supervisory Board) Sifam UK Sifam USA Shanghai VA 	Nil.	Nil.
Details of Listed entities from which he/ she resigned during the last three years.	None	None	None
Committee position held in other companies	None	None	None
No. of shares held in the Company	1,62,62,098	Nil	Nil
Shareholding as beneficial owner	72,00,000	None	None
Inter-se relationship between Directors, Manager and Key Managerial Personnel	None	None	None
Disclosure of relationship with promoter of the Company	He is a Promoter of the Company	None.	None
Board Meeting Attendance Details	Provided in Corporate Governance Report	Provided in Corporate Governance Report	Provided in Corporate Governance Report



ANNEXURE TO THE NOTICE (Contd.)

Name of Director	Mr. Narendra Joharimal Goliya	Mr. Parappath Kottekode Ramakrishnan	Mr. Dineshkumar Musalekar
Brief Profile	<p>Mr. Narendra Goliya aged 72 Years is an Electrical Engineer from the Indian Institute of Technology and post graduate in Micro Electronics from Stanford University, USA. He is an entrepreneur managing Rishabh Instruments, a manufacturer of world class Electronic Instruments, EnergySolution Labs Private Limited, Lumel S.A. & Lumel Alucast S.A. Poland Company based in Zielona Gora, which was acquired in July 2011. He has served as a Chairman and Managing Director of the Company w.e.f. September 8, 2022 to till date.</p> <p>He takes keen interest in the education of children and development of educational institutes, lecturing extensively in engineering and management colleges. He has made a blue print of the JITO University which is being formed by Jain International Trade Organization. He does a lot of philanthropic work for education and medical work. He is the Founder Chief Patron of JITO and has travelled widely throughout the world and has excellent relationship with Indian & International Companies. Mr. Goliya has been honoured by the award 'Poladi Manase' (Iron Man) and a book has been published by "Polad Udyamita Pratishthan" titled as "Poladi Manase - Nashik District". Mr. Goliya has been conferred by Gold Zyloty at the hands of Mayor of Zielona - Gora. Mr. Goliya has also been conferred by Nashik Bhushan Award by Rotary Club of Nashik for his outstanding contribution to the industrial sector in Nashik.</p>	<p>Mr. P.K. Ramakrishnan aged 74, is a Mechanical Engineering Graduate from Kerala University. He worked with MRF Limited from 1971 to 1974 and then with Apollo Tyres from 1974 to 1982 as Project/Maintenance Engineer where he was involved in installation of equipment's and maintenance. After leaving a managerial position at Apollo Tyres he joined VIP as a Manager of Production. He was involved in setting up the factory in Jalgaon and its operations till 1998. He was promoted as Head of Operations in 1998 to manage all the 4 manufacturing Units of the Company. He was appointed as the Executive Director of the Company in August, 1999 and continued in that post till his retirement in March 2008.</p> <p>In VIP he was awarded Chairman Gold Medal for his outstanding achievement. He was the Chairman of CII Nashik for two years. He was an active member of Hashim Industries and Manufacturers Association (NIMA) where he had Chaired NIMA Excellence Award committee & the NIMA Index committee.</p> <p>Mr. Ramakrishnan has been Director of the Company since April 2009.</p>	<p>Mr. Dineshkumar Musalekar is a distinguished business leader with three decades of diverse work experience. He has worked in various leadership capacities in Operations, Projects, Business Development, Product development, Manufacturing and Technology. He is well versed with diverse business cultures and environments from Asiana, Chinese, Japanese, European, American, African to Arab. He has successfully managed start-ups, is a turnaround specialist, and fully accomplished in Mergers, Acquisitions and Demergers.</p> <p>He is a graduate in Electronics and Communications Engineering and has an MBA in human resource management and completed Executive Development Programme from Henley University, Oxford UK. Since 2013, he has been a CEO of LUMEL S.A., LUMEL Alucast Sp. Z.o.o. He is also a Board Member of Saran, a Real Estate Company and Supervisory Board Member of Lumel Isk Company, the trading and service organization and advisory board of Sifam Tinsley USA.</p> <p>Prior to the current assignments, he had a distinguished career in OTIS (UTC group, fortune 500 co) for a decade where he rose from the position of graduate engineer trainee to Manager of Modernisation department in India. He worked for another decade with AVIRE (HALMA group FTSE 100) as a resident director for PAN India and General Manager for India, Middle East and Africa. He has won many recognitions in his career - "Gold Medal" the highest civilian award from the mayor of Zielona Gora City in Poland for his contribution to transform and grow Lumel and benefit the City. "The Indian Achievers Award" for "Business Leadership" from the Indian Achievers forum and "Personality of the Year 2020" award in the Business category in Zielona Góra City from Polska Press Grupa.</p>

ANNEXURE TO THE NOTICE (Contd.)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4:

To approve the continuation of the Directorship of Mr. P. K. Ramakrishnan (DIN: 00304272) as Non-Executive Director beyond the age of 75 years:

In terms of the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 1st April 2019, no listed Company shall appoint or continue the appointment of a Non-executive Director, who has attained the age of 75 years, unless a special resolution is passed to that effect.

Mr. P. K. Ramakrishnan (DIN: 00304272), shall attain the age of 75 years in September 2024. In terms of provisions of the Companies Act, 2013, Mr. P. K. Ramakrishnan is liable to retire by rotation and being eligible, offers himself for re-appointment. Mr. P. K. Ramakrishnan is in good health and of sound and alert mind. The Board is also confident about he is being able to function and discharge his duties in an able and competent manner. Based on the recommendation of the Nomination and Remuneration Committee and taking in account Mr. P. K. Ramakrishnan's seniority, expertise and vast experience, which has immensely benefited the Company, the Board of Directors considered and approved the continuation of Mr. P. K. Ramakrishnan as a Non-executive Director of the Company, liable to retire by rotation.

Brief profile of Mr. P. K. Ramakrishnan:

Mr. P.K. Ramakrishnan aged 74, is a Mechanical Engineering Graduate from Kerala University. He worked with MRF Limited from 1971 to 1974 and then with Apollo Tyres from 1974 to 1982 as Project/Maintenance Engineer where he was involved in installation of equipment's and maintenance. After leaving a managerial position at Apollo Tyres he joined VIP as a Manager of Production. He was involved in setting up the factory in Jalgaon and its operations till 1998. He was promoted as Head of Operations in 1998 to manage all the 4 manufacturing Units of the Company. He was appointed as the Executive Director of the Company in August, 1999 and continued in that post till his retirement in March 2008.

In VIP he was awarded Chairman Gold Medal for his outstanding achievement. He was the Chairman of CII Nashik for two years. He was an active member of Hashim Industries and Manufacturers Association (NIMA) where he had Chaired NIMA Excellence Award committee & the NIMA Index committee.

Mr. Ramakrishnan has been Director of the Company since April 2009.

The disclosures relating to Mr. P.K. Ramakrishnan, as required under the Listing Regulations are set out as an Annexure to the Notice.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for the approval by the Members.

None of the other Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, in the resolution set out at Item No. 5 of the Notice.

Item No. 5:

To approve continuation of Directorship of Mr. Rathin Banerjee (DIN: 02101072) as Non-Executive Independent Director beyond the age of 75 years:

In terms of the Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 1st April 2019, no listed Company shall appoint or continue the appointment of a Non-executive Director, who has attained the age of 75 years, unless a special resolution is passed to that effect.

Mr. Rathin Banerjee (DIN: 02101072), shall attain the age of 75 years in July 2025. Mr. Rathin Banerjee is in good health and of sound and alert mind. The Board is also confident about he is being able to function and discharge his duties in an able and competent manner. Based on the recommendation of the Nomination and Remuneration Committee and taking in account Mr. Rathin Banerjee's seniority, expertise and vast experience, which has immensely benefited the Company, the Board of Directors considered and approved the continuation of Mr. Rathin Banerjee as a Non-executive Independent Director of the Company.

The disclosures relating to Mr. Rathin Banerjee, as required under the Listing Regulations are set out as an Annexure to the Notice.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for the approval by the Members.

None of the other Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, in the resolution set out at Item No. 6 of the Notice.

Brief profile of Mr. Rathin Banerjee:

Mr. Rathin Banerjee is a Chemical Engineering Graduate from I.I.T., Mumbai - 1974 batch with PGDBM (Business Management), from XLRI, Jamshedpur - 1976 batch.



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He has over 45 + years of experience in Sales & Marketing in Chemicals, Consumer Products, FMCG, Industrial and Infrastructure.

He has worked with Companies like Asian Paints, BlowPlast, VIP Industries, Gillette, Bisleri and has been the CEO of SP Fabricators, CEO of Zicom Electronic Security Systems and Director-Institute of Advanced Security Training & Management (ASTM).

With Horton International (India and Area) since April, 2018, as Executive Director (India & Area) handling Consumer Goods & Services, Industrial & Infrastructure, Pharmaceuticals, and Chemicals Sectors.

Item No. 6:

To approve the amendment in ESOP Plan 2022 Scheme A:

The Company offers stock options to select employees to foster a spirit of ownership and an entrepreneurial mindset. Because of their nature, stock options help to build a holistic, long-term view of the business and a sustainability focus in the senior management team. Stock options are granted to tenured employees in managerial and leadership positions upon achieving defined thresholds of performance and leadership behaviour. This has contributed to the active involvement of the leadership and senior team who are motivated to ensure long-term success of the Company. Grant of stock options also allows the Company to be conservative in awarding fixed pay, balance short-term incentives with risk considerations and build the focus on consistent long-term results.

Accordingly, the Company has implemented the Employee Stock Option Plan 2022 (ESOP 2022) Scheme A to attract, retain, and incentivise key talent. To ensure the continued alignment of interests between the employees and the shareholders, it is proposed to amend and modify certain clauses of the ESOP 2022 Scheme A as outlined below:

1. Amendment to Clause 2.2: "Exercise Period"

The current clause 2.2 defines the "Exercise Period" for vested options. It is proposed to amend this clause to specify the exercise periods more precisely. The revised clause will state:

"Exercise Period" shall mean a period of three (3) months from the date of receipt of In-Principal approval from the Recognised Stock Exchanges for the first twelve (12) months of vesting, and twelve (12) months for the subsequent years as outlined in Clause 6.1.

This amendment aims to provide clarity and a more structured exercise period for the options granted under

the Scheme, thereby enhancing employee motivation and retention.

As per ESOP Regulations, separate resolution is required to be passed if the benefits of stock options are to be extended to employees of holding and/or subsidiary Company(ies). Therefore, a separate resolution is being proposed at item no. 6 of this notice.

The Board recommends the resolution for approval of the members of the Company as Special Resolution.

It is reiterated that none of the Promoters, Non-executive non-independent Directors and Independent Directors of the Company or their relatives are interested in the passing of the resolution since they are not entitled to any stock options. However, they may be deemed to be concerned or interested, to the extent of shareholding, if any in the Company.

The Managing Director and other Key Managerial Personnel of the Company, its holding and subsidiary(ies), are deemed to be concerned or interested, to the extent of stock options granted/to be granted pursuant to the scheme and to the extent of shareholding held by them or their relatives, if any, in the Company.

Item No. 7:

To approve options granted to the Employee of Subsidiary Company under ESOP Plan 2022 Scheme A (Mr. Dineshkumar Musalekar, President Lumel SA and Alucast):

The Company offers stock options to select employees to foster a spirit of ownership and an entrepreneurial mindset. Because of their nature, stock options help to build a holistic, long-term view of the business and a sustainability focus in the senior management team. Stock options are granted to tenured employees in managerial and leadership positions upon achieving defined thresholds of performance and leadership behaviour. This has contributed to the active involvement of the leadership and senior team who are motivated to ensure long-term success of the Company. Grant of stock options also allows the Company to be conservative in awarding fixed pay, balance short-term incentives with risk considerations and build the focus on consistent long-term results.

Accordingly, it is proposed to seek approval of the members for options granted to the Employee of Subsidiary Company under ESOP Plan 2022 Scheme A (Mr. Dineshkumar Musalekar, President Lumel SA and Alucast) in order to comply the provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SEBI

ANNEXURE TO THE NOTICE (Contd.)

SBEB and SE Regulations”) and the Companies Act, 2013 and rules and regulations made thereunder.

Disclosures pursuant to Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 (“SEBI SBEB and SE”), read with SEBI Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 (“ESOP Regulations”) and the Companies Act, 2013 (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force), are as under:

1. Brief Description, Name and Objectives of the scheme/ Plan:

Employee Stock Option Plan 2022 Scheme A.

Rishabh Instruments Limited (“Company” or “RIL”), a Company incorporated under the Companies Act, 1956 and having its registered office at A-54, MIDC, Opp MIDC Bus Depot, Andheri (East), Mumbai City, 400093 has structured this Plan for its Employees and employees of its subsidiary companies.

The objectives of this Plan are as under:

- a) Retention of employees
- b) Attracting talent from the market;
- c) Wealth creation and accumulation for the employees; and
- d) Attain individual performance targets and drive performance of the Company.

Further, the Plan will be implemented, for and on behalf of and at the request of the Subsidiary Companies (as defined under the Companies Act, 2013) of RIL, for the employees of the Subsidiary Companies of RIL.

These objectives / purposes are sought to be achieved through the approval of Grant of Options to the Employees of RIL and employees of its Subsidiary Companies.

2. The total number of stock options to be granted;

The maximum number of Options granted under ESOP Plan 2022 Scheme A shall not exceed 7,44,000.

3. Identification of classes of employees entitled to participate in the Employees Stock Option Scheme;

Only Permanent Employees are eligible for being granted Employee Stock Options under ESOP Plan 2022. The specific Employees to whom the Options would be granted, and their Eligibility Criteria would be determined by the Board / Nomination and Remuneration Committee.

Scheme - A shall cover the President of Lumel SA and Lumel Alucast Sp. Zo.o.

4. The appraisal process for determining the eligibility of employees to the Employees Stock Option Scheme;

The appraisal process for determining the eligibility of the employee will be specified by the Board/ Committee of the Company, and will be based on criteria such as criticality of the role, designation, length of service, past performance record, future potential of the employee and / or such other criteria that may be determined by the Board of the Company at its sole discretion.

SCHEME A The Committee may at its discretion grant the Options to the identified Eligible Employee considering their period of employment with RIL, their future performance and the Company's future performance during the said period, in accordance with the terms and conditions of Scheme -A notified under the Plan for the time being in force.

The Grant of Options to the Eligible Employee upon approval by the Committee shall be made in writing under a Grant Letter and communicated to the Eligible Employee. Such Grant Letter shall state the Grant Date, number of Options offered, the Exercise Price and the Acceptance Period and such other details as may be deemed necessary by the Committee.

The Committee may at its discretion grant additional Options to Eligible Employee in the following circumstances: (i) RIL achieving 25% top-line growth; (ii) 25% growth in EBITDA.

5. The requirements of vesting and period of vesting;

Options granted under ESOP Plan 2022 Scheme A would vest not earlier than one year and not later than five years from the date of Grant of such Options. Vesting of Options would be subject to continued employment with the Company and thus the Options would vest on passage of time. However, in addition to this, the Board may also, if it feels necessary in certain or in all cases, specify certain performance parameters – corporate, individual or a combination – subject to which the Options would vest. The specific Vesting schedule and Vesting Conditions subject to which Options would vest would be detailed in writing and provided to the Option Grantee at the time of the Grant of Options.



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6. The maximum period within which the options shall be vested;

The options would vest not earlier than one year and not later than five years from the date of grant of options. The exact proportion in which and the exact period over which the options would vest would be determined by the Board.

7. The exercise price or the formula for arriving at the same;

Scheme A: The Exercise price payable by the employee with respect to such vested options for the purpose of this Scheme shall be INR 165/- per share.

8. The exercise period and process of exercise;

“Exercise Period” shall mean a period of three (3) months from the date of receipt of In-Principal approval from the Recognised Stock Exchanges for the first twelve (12) months of vesting, and twelve (12) months for the subsequent years as outlined in Clause 6.1.

The Committee can decide the procedure for the exercise of Options and Allotment of Shares. Further, all transfer or allotment of shares are subject to the final approval by the Committee.

Subject to the relevant Notified Scheme, the Participant alone can Exercise the Vested Options within the Exercise Period as per the relevant Scheme. such Exercise may be of all Vested Options or part of the Vested Options.

No Vested Option shall be exercisable in its fractional form.

Exercise of the Vested Options shall take place at the time and place designated by the Committee and by executing such documents as may be required under the Applicable Laws by the Committee to pass a valid title of the relevant Shares to participants / employees, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.

A Vested Option shall be deemed to be validly exercised only when the Committee or any other person ratified by the Committee receives written and signed notice of Exercise (‘Exercise Form’) from the Participant and, the full payment of the Exercise Price, taxes (wherever arising) and any other sums due to the Company as per the Plan in respect of Exercise of the Option (‘Aggregate Exercise Price’).

The Aggregate Exercise Price shall be paid in full upon the Exercise of the Vested Options.

9. The Lock-in period, if any;

The Shares arising out of exercise of Vested Options shall not be subject to any lock in period after such exercise.

10. The maximum number of options to be granted per employee and in aggregate;

The total number of options that may be granted to any specific employee under the Employee Stock Option Plan 2022 Scheme A during may be exceeding 1% of the Paid-Up capital at the time of grant and in aggregate shall not exceed 7,44,000 (Seven Lakhs Forty-Four Thousand) equity shares of the Company having face value of INR 10/- each.

11. Maximum quantum of benefits to be provided per employee under a scheme(s);

The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of exercise of options.

12. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust;

ESOP Plan 2022 Scheme A shall be administered by the Company and not through a trust.

13. Whether the scheme(s) involves new issue of shares by the Company or secondary acquisition by the trust or both;

The approval is sought for already issued 7,44,000 Options under ESOP Plan 2022 Scheme via a separate resolution from the Shareholders.

14. The amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.;

This is not applicable under the present scheme.

15. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);

This is not applicable under the present scheme.

16. A statement to the effect that the Company shall conform to the accounting policies specified in regulation 15;

The Company shall comply with the disclosures and the accounting policies as prescribed from time to time.

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17. Terms & conditions for buyback, if any, of specified securities covered under these regulations

Not Applicable.

18. The method which the Company shall use to value its options;

The employee compensation cost shall be calculated as decided by the Compensation Committee or Board of directors of the Company.

19. The conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct;

The options which vested may be cancelled in the following events:

- i. Expiry of exercise period,
- ii. On resignation/Termination / separation due to misconduct / breach of Company policies,
- iii. Abandonment, and
- iv. Voluntary surrender of options

20. The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee;

In the event of Death or Disability of a participant, the vested and / or unvested options shall be governed by the covenants of clause 13.1 and 13.2 of the RIL ESOP Plan 2022.

In the event of Resignation, the Participant will get the vested options as of the date of resignation. A window of 15 days would be provided to such employee to exercise such vested options if the participant wishes to continue holding shares. Therefore, the provisions of Clause 8.1 of this Scheme would not be applicable for such employee. Any unexercised options post this period would lapse without any surviving right / liability for any party.

Any cash exit (by way of buy-back or otherwise) would not be provided by the Committee to such resigning employees.

Any other mode of termination of employment (i.e., attainment of superannuation age, termination for cause, etc or otherwise) would be governed by the covenants of the Plan (refer respective paras in clause 13 of the Plan).

21. A statement to the effect that the Company shall comply with the applicable accounting standards;

The Company shall comply with the applicable accounting standards including disclosures and the accounting policies prescribed under the Companies Act, 2013 and the guidelines issued by Institute of Chartered Accountants of India.

22. Variation in terms of the Scheme;

The Company may by special resolution, vary the terms of Employees Stock Option Plan 2022 Scheme A not yet exercised by the employees provided such variation is not prejudicial to the interests of the option holders.

23. Other terms and conditions of issue including dividend and voting rights.

The employees shall not have right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of option granted to them, till shares are issued on exercise of option. The other terms and conditions of issue shall be as per specified by the Board of Directors at the time of issue and agreement under the Employee Stock Option Scheme.

In case the company opts for expensing of share based employee benefits using the intrinsic value, 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, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

Pursuant to Section 62(1)(b) of the Companies Act, 2013, the Company may issue further equity shares to employees under the scheme of stock options subject to special resolution passed by the shareholders. As per ESOP Regulations, the Company may by special resolution vary the terms of the scheme offered pursuant to an earlier resolution provided that such variation is not prejudicial to the interests of the employees.

As per ESOP Regulations, separate resolution is required to be passed if the benefits of stock options are to be extended to employees of holding and/or subsidiary Company(ies). Since the gamut of grant of stock options extends, presently, to employees of subsidiary(ies), separate resolution is being proposed at Item No. 7 of this notice

The Board recommends the resolutions for approval of the members of the Company as Special Resolution.

It is reiterated that none of the Promoters, Non-executive non-independent Directors and



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Independent Directors of the Company or their relatives are interested in the passing of the resolution since they are not entitled to any stock options. However, they may be deemed to be concerned or interested, to the extent of shareholding, if any in the Company.

The Managing Director and other Key Managerial Personnel of the Company, its holding and subsidiary(ies), are deemed to be concerned or interested, to the extent of stock options granted/to be granted pursuant to the scheme and to the extent of shareholding held by them or their relatives, if any, in the Company.

In case the company opts for expensing of share based employee benefits using the intrinsic value, 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, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share ('EPS') of the company shall also be disclosed in the Directors' Report.

Item No. 8:

To approve options granted to the Employee of subsidiary Company under ESOP Plan 2022 Scheme A exceeding 1% (up to 2%) of the issued capital of the Company (Mr. Dineshkumar Musalekar, President Lumel SA and Alucast):

As per Regulation 6(3)(d) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB & SE Regulations"), a separate resolution is required to be passed if the benefits of the scheme are to be extended to identified employees, during any 1 (one) year, equal to or exceeding 1% (one per cent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of option.

The Company has identified that the below mentioned employee to whom it is necessary to grant option exceeding 1% (one per cent) in 1 (one) year as per the terms of the Rishabh Instruments Limited Employee Stock Option Plan 2022 Scheme A:

Sr. No.	Name of the Employee	No. of Options to be granted	Percentage of the diluted equity capital
1	Mr. Dineshkumar Musalekar	7,44,000	Up to 2%

Mr. Dineshkumar Musalekar is the Group Chief Executive Officer (Group CEO) of the Company. He is a distinguished

business leader with three decades of diverse work experience. He has worked in various leadership capacities in Operations, Projects, Business Development, Product development, Manufacturing and Technology. He's well versed with diverse business cultures and environments from Asiana, Chinese, Japanese, European, American, African to Arab. He has successfully managed start-ups, is a turnaround specialist, and fully accomplished in Mergers, Acquisitions and Demergers.

He is a graduate in Electronics and Communications Engineering and has an MBA in human resource management and completed Executive Development Programme from Henley University, Oxford UK. Since 2013, he has been a CEO of LUMEL S.A., LUMEL Alucast Sp. Z.o.o. He is also a Board Member of Saran, a real estate Company and supervisory board member of Lumel Śląsk Company, the trading and service organisation and advisory board of Sifam Tinsley USA.

Mr. Dineshkumar Musalekar is pivotal for the success of the Company and to ensure the continuity of his service with the Company, the Company may grant employee stock option/restricted stock unit equal to or exceeding 1% (one per cent) in 1 (one) year to him.

The draft copies of the ESOP Plan 2022 Scheme A are made available at the registered office of the Company for inspection or can be inspected electronically by any shareholder during the voting period by witting an e-mail at cs@rishabh.co.in.

The Board recommends the resolution set out in Item No. 8 of the Notice, for the approval of the members by means of Special Resolution.

Mr. Dineshkumar Musalekar, Group CEO of the Company is interested in the resolution. None of the other directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

Item No. 9:

To change designation of Mr. Dineshkumar Musalekar (DIN: 02039938) from Group Chief Executive Officer to Whole Time Director of the Company:

Mr. Dineshkumar Musalekar has been the Group CEO the Company since June 30, 2023. The Board of Directors of the Company (the 'Board') on the recommendation of Nomination and Remuneration Committee had at its meeting held on August 09, 2024 appointed Mr. Dineshkumar Musalekar as Whole Time Director of the Company whose office will be liable to determination by retirement by rotation, for a period of 5 (five) years,

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at a remuneration recommended by the Nomination and Remuneration Committee and approved by the Board, subject to the approval of members for a period of 3 (three) years. Members' approval is sought to the appointment.

Brief profile of Mr. Dineshkumar Musalekar is as follows:

Mr. Dineshkumar Musalekar is a distinguished business leader with three decades of diverse work experience. He has worked in various leadership capacities in Operations, Projects, Business Development, Product development, Manufacturing and Technology. He is well versed with diverse business cultures and environments from Asiana, Chinese, Japanese, European, American, African to Arab. He has successfully managed start-ups, is a turnaround specialist, and fully accomplished in Mergers, Acquisitions and Demergers.

He is a graduate in Electronics and Communications Engineering and has an MBA in human resource management and completed Executive Development Programme from Henley University, Oxford UK. Since 2013, he has been a CEO of LUMEL S.A., LUMEL Alucast Sp. Z.o.o. He is also a Board Member of Saran, a Real Estate Company and Supervisory Board Member of Lumel Śląsk Company, the trading and service organisation and advisory board of Sifam Tinsley USA.

Prior to the current assignments, he had a distinguished career in OTIS (UTC group, fortune 500 co) for a decade where he rose from the position of graduate engineer trainee to Manager of Modernisation department in India. He worked for another decade with AVIRE (HALMA group FTSE 100) as a resident director for PAN India and General Manager for India, Middle East and Africa. He has won many recognitions in his career - "Gold Medal" the highest civilian award from the mayor of Zielona Gora City in Poland for his contribution to transform and grow Lumel and benefit the City. "The Indian Achievers Award" for "Business Leadership" from the Indian Achievers forum and "Personality of the Year 2020" award in the Business category in Zielona Góra City from Polska Press Grupa.

The material terms of appointment and remuneration as contained in the draft Agreement are given below:

Remuneration:

1. INR 14,000,000/- (Rupees Fourteen Million) to be structured into 12 monthly equated salaries in salary components from April 01, 2024, up to March 31, 2025
2. EUR 24,000 (Twenty-Four Thousand Euro) to be structured into 12 monthly equated salaries in salary components at Lumel S.A.
3. Euro 24,000 (Twenty-Four Thousand Euro) to be structured into 12 monthly equated salaries in salary components at Lumel Alucast Sp. Z.o.o.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure as a Whole Time Director, the Company has no profits or its profits are inadequate, the Company may subject to requisite approvals, pay remuneration by way of basic salary, benefits, perquisites and allowances as specified above, and within the limits laid down under Section II of Part II of Schedule V to the Companies Act, 2013.

- ii) Commission in any year not exceeding the limits specified in the Companies Act, 2013 or any rules made thereof
- iii) Provision of car, telephone, audio and video conference facilities at residence, Internet and other communication facilities at residence, on Company's business, would not be considered as perquisites
- iv) Other Terms:

The period of office of Mr. Musalekar shall be liable to determination by retirement of directors by rotation.

Mr. Musalekar is interested in the Resolution mentioned at Item No. 9 of the Notice with regard to his respective appointment. Other than him no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 9 of the Notice.

The Board of Directors recommends the Resolution at Item No. 9 of the accompanying Notice for the approval of the Members of the Company as a Special Resolution.



ANNEXURE TO THE NOTICE (Contd.)

Statement as per Section II, Part II of Schedule V of the Companies Act, 2013:

I. GENERAL INFORMATION

1	Nature of Industry	Electrical automation, metering and measurement, precision engineered products, with diverse applications across industries including power, automotive and industrial sectors
2	Date or expected date of commencement of commercial production	Certificate of Incorporation dated October 06, 1982
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	As per Financial Statements
5	Foreign investments or collaborators, if any	NIL

II. INFORMATION OF APPOINTEE: MR. DINESHKUMAR MUSALEKAR

1	Background details	He holds a bachelor's degree of engineering (electronics and communication) from the Karnataka University Dharwad and a master's degree in human resources development management from Somaiya Institute of Management Studies and Research, University of Mumbai. He was previously associated with TL Jones India Pte (now Avire India Pte) and Otis Elevators Company India Limited.
2	Past remuneration	He received an aggregate compensation of INR 18.80 Million from Lumel in 2023-23.
3	Recognition or awards	He has won many recognitions in his career - "Gold Medal" the highest civilian award from the mayor of Zielona Gora City in Poland for his contribution to transform and grow Lumel and benefit the City. "The Indian Achievers Award" for "Business Leadership" from the Indian Achievers forum and "Personality of the Year 2020" award in the Business category in Zielona Góra City from Polska Press Grupa.
4	Job Profile and his suitability	Management of Total Business Affairs of the Rishabh Group of Companies.
5	Remuneration proposed	<ol style="list-style-type: none"> 1. INR 14,000,000 (Rupees Fourteen Million) to be structured in to 12 monthly equated salaries in salary components from April 01, 2024 up to March 31, 2025. 2. EUR 24,000 (Twenty-Four Thousand Euro) to be structured into 12 monthly equated salaries in salary components at Lumel S.A. 3. Euro 24,000 (Twenty-Four Thousand Euro) to be structured into 12 monthly equated salaries in salary components at Lumel Alucast Sp. Z.o.o. With effect from August 09, 2024, for a period 3 years.

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6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The proposed remuneration is in line with the trends in the industry and is befitting Mr. Musalekar's educational background, experience and competence.
7	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	President and CEO Lumel SA and Lumel Alucast since 2014 and Group CEO of Rishabh Group of Companies since June 30, 2023.

III. OTHER INFORMATION

1	Reasons of loss or inadequate profits	Not Applicable
2	Steps taken or proposed to be taken for improvement	To enhance governance and strategic oversight, the Company has proposed the appointment of Mr. Dineshkumar Musalekar as Whole Time Director. His appointment shall bring wealth of experience and a fresh perspective, aligning with the Company's commitment to driving operational excellence. Mr. Musalekar will be instrumental in implementing key initiatives aimed at improving organizational performance and achieving strategic objectives. His role will focus on streamlining processes, fostering innovation, and ensuring robust execution of our business strategies. The Company is confident that his leadership will significantly contribute to our continued growth and success.
3	Expected increase in productivity and profits in measurable terms	Not Available

IV. DISCLOSURES

1	Other Disclosure	Nil
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Item No. 10:

Variation in the terms of the contract or objects of the Issue:

Pursuant to the Board Resolution dated December 19, 2022, and the Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 by the shareholders of our Company held on December 22, 2022, the Company had raised INR 708.05 Million from the initial public offer of its equity shares (the 'Issue'). The net proceeds from the Issue were INR 708.05 Million (hereinafter referred to as "IPO Proceeds").

The Company had, in terms of the Prospectus, proposed to utilise the IPO Proceeds towards (i) Financing the cost towards the Expansion of Nashik Manufacturing Facility I; and (ii) General Corporate Purposes. The Company has made efforts to utilise the IPO Proceeds as per the terms of the Issue, INR 138 Million for Nashik Manufacturing Facility I situated at "F-31, MIDC, Satpur, Nashik, 422007". The Company is willing to utilise an amount of INR 300 Million towards expansion for capacity utilisation at its "Nashik Manufacturing Facility II" situated at "Trishala, C-6, MIDC, Satpur, Nashik, 422007". The relevant and material information as per The Companies (Prospectus and Allotment of Securities) Rules, 2014 is set out below:



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Amount in INR Million

Sr. No.	Objects as per Prospectus	IPO Proceeds	Total amount spent up to March 31, 2024	Unutilised amount as per the Prospectus	% achievement as per the Prospectus	% Unutilised amount as per the Prospectus
1	Financing the cost towards the Expansion of Nashik Manufacturing Facility I	628.86	1.18	627.68	0.19%	99.81%
2	General corporate purposes	79.19	76.04	3.15	96.02%	3.98%
Total		708.05	-	-	-	-

Amount in INR Million

Original Object	Modified Object, if any	Original Allocation (INR Million)	Modified allocation, if any	Funds Utilised (INR Million)	Amount of Deviation/ Variation according to applicable object	Remarks if any
Financing the cost towards the Expansion of "Nashik Manufacturing Facility I" situated at F-31, MIDC, Satpur, Nashik, Maharashtra 422007.	No	628.86	328.86 (approx.)	13.80	300.00	-
General corporate purposes.	No	79.19	NIL	77.23	NIL	-
Financing the cost towards the Expansion of "Nashik Manufacturing Facility II" situated at "Trishala, C-6, MIDC, Satpur, Nashik, Maharashtra 422007"	Yes	NIL	300.00 (approx.)	NIL	300.00	Refer to Note 1 below

Note 1: Owing to strategic realignment, the utilisation of funds initially allocated for the expansion of "Nashik Manufacturing Facility I" (F-31, MIDC, Satpur, Nashik, Maharashtra 422007) has been partially redirected. As per the details provided above, the funds will now be partially used to support the expansion of "Nashik Manufacturing Facility II" located at "Trishala, C-6, MIDC, Satpur, Nashik, Maharashtra 422007." This change in allocation is aimed at optimising operational efficiencies and capitalising on emerging opportunities in the new location. The shift will ensure better alignment with our updated growth strategy and enhance overall production capabilities.

The particulars of the proposed alteration or change in the objects:

An amount of INR 300 Million is to be utilised for "Financing the cost towards the Expansion of Nashik Manufacturing Facility II".

The reason for the alteration or change in the objects:

The Board considers it prudent to reclassify the unutilised amount towards objects stated above to ensure the optimum utilisation of IPO proceeds and maximise the return on investment for the members of the Company. The Company is going to utilise the funds for expansion purposes in both the units situated at F-31, MIDC Satpur, Nashik, and Trishala, C-6, Nashik, ensuring the future growth of the Company.

The justification for the alteration or change in the objects:

The Board considers it prudent to reclassify the unutilised amount towards objects stated above to ensure the optimum utilisation of IPO proceeds and maximise the return on investment for the members of the Company. The Company is going to utilise the funds for expansion purposes in both the units situated at F-31, MIDC Satpur, Nashik, and Trishala, C-6, Nashik, ensuring the future growth of the Company.

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The amount proposed to be utilised for the new objects:

INR 300 Million.

The proposed time limit within which the proposed varied objects would be achieved:

Within 60 Months subject to obtaining any requisite approval wherever required.

The estimated financial impact of the proposed alteration on the earnings and cash flow of the Company:

The management of the Company foresees that after the utilisation of the proceeds in proposed new objects, the earnings and cash flows of the Company will improve in the long term. The management of the Company is of the view that the proposed variation in terms of the Objects of the Issue will ensure optimum utilisation of IPO Proceeds and maximise the return on investment for members.

The place from where any interested person may obtain a copy of the notice of resolution to be passed:

Any interested person may obtain a copy of the notice of the resolution from the corporate office of the Company during business hours or may access it from the Company's website <https://rishabh.co.in/>.

The risk factors of the new objects:

Change in Government Policies, Economic Environment, period of recovery of the amount from debtors, and casualties in events.

Accordingly, in terms of the provisions of Sections 27 of the Companies Act, 2013 and any other applicable provisions and the rules made there under, the Company seeks approval of the members by way of Special Resolution for variation in the terms of the Objects of the Issue as disclosed in the Prospectus.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolutions set forth in Resolution No. 10 of this Notice except to the extent of their shareholdings in the Company, if any.

Item No. 11:

To consider and fix the remuneration of the Cost Auditor for 2024-25:

Mr. Hareesh K. Shetty & Co., Cost Accountant, was appointed by the Board of Directors of the Company at its meeting held on May 29, 2024, to act as the Cost

Auditor of the Company to conduct the audit of the cost accounts maintained by the Company for the financial year 2024-25. As per Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 as amended from time to time, the remuneration of the Cost Auditors should be approved by the members of the Company. Accordingly, based on the level of expertise and the scope of work, the Board has recommended paying a remuneration of INR 60,000/- (Rupees Sixty Thousand Only) plus out-of-pocket expenses to the Cost Auditors for the financial year 2024-25.

None of the Directors, key managerial personnel or their relatives is concerned or interested in the subject resolution.

The Board recommends the Ordinary Resolutions set out in Item No. 11 of the notice for approval by the members.

Item No. 12:

To approve grant of options to employees of the Company under the Employee Stock Option Plan 2022 - Scheme B:

The Company offers stock options to select employees to foster a spirit of ownership and an entrepreneurial mindset. Because of their nature, stock options help to build a holistic, long-term view of the business and a sustainability focus in the senior management team. Stock options are granted to tenured employees in managerial and leadership positions upon achieving defined thresholds of performance and leadership behaviour. This has contributed to the active involvement of the leadership and senior team who are motivated to ensure the long-term success of the Company. Grant of stock options also allows the Company to be conservative in awarding fixed pay, balance short-term incentives with risk considerations and build the focus on consistent long-term results.

Accordingly, it is proposed to seek approval of the members to comply the provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SEBI SBEB and SE") Regulations and the Company Act, 2013 and rules and regulations made thereunder, the Board of Directors of the Company needs to consider ESOP Plan 2022 Scheme-B for issue of Employee Stock Options (ESOPs) for the employees of the Company.

Disclosures pursuant to Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SEBI SBEB and SE") Regulations, read with SEBI Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 ("ESOP



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Regulations”) and the Companies Act, 2013 (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force), are as under.

Brief Description, Name and Objectives of the Scheme/ Plan;

Employee Stock Option Plan 2022 – Scheme B

Rishabh Instruments Limited (“Company” or “RIL”), a Company incorporated under the Companies Act, 2013 and having its registered office at A-54, MIDC, Opp MIDC Bus Depot, Andheri (East) Mumbai City MH 400093, has structured this Plan for its Employees.

The objectives of this Plan are as under:

- a. Retention of employees
- b. Attracting talent from the market
- c. Wealth creation and accumulation for the employees; and
- d. Attain individual performance targets and drive performance of the Company

These objectives/purposes are sought to be achieved through the Grant of Options to the Employees of the Company.

The total number of stock options to be granted;

The maximum number of Shares that may be issued pursuant to the Exercise of Options granted to the Participants under this Plan shall not exceed 3,45,600. The Committee reserves the right to increase or reduce such number of Shares as it deems fit.

Identification of classes of employees entitled to participate in the Employees Stock Option Scheme;

Only Permanent Employees are eligible for being granted Employee Stock Options under ESOP Plan 2022 Scheme - B. The specific Employees to whom the Options would be granted, and their Eligibility Criteria would be determined by the Board / Committee.

Scheme - B shall cover all other employees of the Company except the President of Lumel SA and Lumel Alucast Sp. Zo.o.

The appraisal process for determining the eligibility of employees to the Employees Stock Option Scheme;

The appraisal process for determining the eligibility of the employee will be specified by the Board/committee of the Company and will be based on criteria such as criticality of the role, designation, length of service, past performance record, future potential of the employee and/or such other criteria that may be determined by the Board of the Company at its sole discretion.

The Committee may at its discretion grant the Options to the identified eligible employees considering their period of employment with Rishabh Instruments Limited, their past and future performance and the Company’s performance during the said period to the identified eligible employees, in accordance with the terms and conditions of Scheme –B notified under the Plan for the time being in force.

Further, the eligible employees with a long period of service shall be eligible for additional options at the discretion of the Committee considering their period of service and designation.

The Grant of Options to the eligible employee upon approval by the Committee shall be made in writing under a Grant Letter and communicated to the eligible employee. Such Grant Letter shall state the Grant Date, Number of Options offered, the Exercise Price and the Acceptance Period and such other details as may be deemed necessary by the Committee.

The requirements of vesting and period of vesting;

Options granted under ESOP Plan 2022 Scheme - B would vest not earlier than one year and not later than five years from the date of Grant of such Options. Vesting of Options would be subject to continued employment with the Company and thus the Options would vest on passage of time. However, in addition to this, the Board may also, if it feels necessary in certain or in all cases, specify certain performance parameters – corporate, individual or a combination – subject to which the Options would vest. The specific Vesting Schedule and Vesting Conditions subject to which Options would vest would be detailed in writing and provided to the Option Grantee at the time of the Grant of Options.

The maximum period within which the options shall be vested;

The options would vest not earlier than one year and not later than five years from the date of grant of options. The exact proportion in which and the exact period over which the options would vest would be determined by the Board.

The Exercise Price or the formula for arriving at the same;

The Exercise Price payable by the employee with respect to such vested options for the purpose of this Scheme shall be INR 250 per share.

The Exercise Period and Process of Exercise;

The Exercise period is six months from the date of vesting of options in the hands of employees. The Committee can decide the procedure for the exercise of Options and Allotment of shares. Further, all transfers or allotment of shares are subject to final approval by the Committee.

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Subject to the Notified Scheme, the Participant alone can Exercise the Vested Options within the Exercise Period as per the Scheme. Such exercise may be of all Vested Options or part of the Vested Options.

No Vested Option shall be exercisable in its fractional form.

Exercise of the Vested Options shall take place at the time and place designated by the Committee and by executing such documents as may be required under the applicable laws by the Committee to pass a valid title of the relevant Shares to participants/employees, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein. A vested Option shall be deemed to be validly exercised only when the Committee or any other person ratified by the Committee receives written and signed notice of Exercise ('Exercise Form') from the Participant and, the full payment of the Exercise Price, taxes (wherever arising) and any other sums due to the Company as per the Plan in respect of Exercise of the Option ('Aggregate Exercise Price').

The Aggregate Exercise Price shall be paid in full upon the Exercise of the Vested Options.

The Lock-in period, if any;

The Shares arising out of the exercise of Vested Options shall not be subject to any lock-in period after such exercise.

The maximum number of options to be granted per employee and in aggregate;

The Total Number of Options that may be granted to any specific employee under Employee Stock Option Scheme during any one year shall not be equal to or exceed 1% of the Paid-Up capital at the time of grant and in aggregate shall not exceed 3,45,600 (Three Lakhs Forty Five Thousand Six Hundred only) equity shares of the Company having face value of INR 10 each.

Maximum quantum of benefits to be provided per employee under a scheme(s);

The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of exercise of options.

Whether the scheme(s) is to be implemented and administered directly by the company or through a trust;

ESOP Plan 2022 Scheme B shall be administered by the Company and not through a trust.

Whether the scheme(s) involves new issue of shares by the Company or secondary acquisition by the trust or both;

The Scheme shall involve new issue of shares by the Company.

The amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.;

This is not applicable under the present scheme.

Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);

This is not applicable under the present scheme.

A statement to the effect that the Company shall conform to the accounting policies specified in regulation 15;

The Company shall comply with the disclosures and the accounting policies as prescribed from time to time.

Terms & conditions for buyback, if any, of specified securities covered under these regulations

Not Applicable.

Maximum quantum of benefits to be provided per employee under a scheme(s);

The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of exercise of options.

Whether the scheme(s) is to be implemented and administered directly by the company or through a trust;

ESOP Plan 2022 Scheme B shall be administered by the Company and not through a trust.

Whether the scheme(s) involves new issue of shares by the Company or secondary acquisition by the trust or both;

The Scheme shall involve new issue of shares by the Company.

The amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.;

This is not applicable under the present scheme.

Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);

This is not applicable under the present scheme.

A statement to the effect that the Company shall conform to the accounting policies specified in regulation 15;

The Company shall comply with the disclosures and the



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accounting policies as prescribed from time to time.

Terms & conditions for buyback, if any, of specified securities covered under these regulations

Not Applicable.

The method which the Company shall use to value its Options;

The employee compensation cost shall be calculated as decided by the Compensation Committee or Board of Directors of the Company.

The conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct;

The options which vested may be cancelled in the following events:

- a) Expiry of the exercise period,
- b) On resignation/Termination/separation due to misconduct/breach of Company policies,
- c) Abandonment, and
- d) Voluntary surrender of options

The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of the employee;

In the event of Death or Disability of a participant, the vested and / or unvested options shall be governed by the covenants of clause 13.1 and 13.2 of the RIL ESOP Plan 2022.

In the event of Resignation, the Participant will get the vested options as of the date of resignation. A window of 15 days would be provided to such employee to exercise such vested options if the participant wishes to continue holding shares. Therefore, the provisions of Clause 8.1 of this Scheme would not be applicable for such employee. Any unexercised options post this period would lapse without any surviving right / liability for any party.

Any cash exit (by way of buy-back or otherwise) would not be provided by the Committee to such resigning employees.

Any other mode of termination of employment (i.e., attainment of superannuation age, termination for cause, etc or otherwise) would be governed by the covenants of the Plan (refer respective paras in clause 13 of the Plan).

A statement to the effect that the Company shall comply with the applicable Accounting Standards;

The Company shall comply with the applicable Accounting

Standards including disclosures and the Accounting Policies prescribed under the Companies Act, 2013 and the guidelines issued by the Institute of Chartered Accountants of India.

Variation in terms of the Scheme;

The Company may by Special Resolution, vary the terms of the Employees Stock Option Scheme not yet exercised by the employees provided such variation is not prejudicial to the interests of the option holders.

Other terms and conditions of the issue include Dividend And Voting Rights.

The employees shall not have the right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of option granted to them, till shares are issued on exercise of option. The other terms and conditions of issue shall be as per specified by the Board of Directors at the time of issue and agreement under the Employee Stock Option Scheme.

In case the company opts for expensing of share based employee benefits using the intrinsic value, 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, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share ('EPS') of the company shall also be disclosed in the Directors' Report.

Pursuant to Section 62(1)(b) of the Companies Act, 2013, the Company may issue further equity shares to employees under the scheme of stock options subject to a Special Resolution passed by the shareholders. As per SEBI (SBEB and SE) Regulations, the Company may by Special Resolution vary the terms of the scheme offered pursuant to an earlier resolution provided that such variation is not prejudicial to the interests of the employees.

As per SEBI (SBEB and SE) Regulations, a separate resolution is required to be passed if the benefits of stock options are to be extended to employees of Holding and/or Subsidiary Company(ies). Since the gamut of grant of stock options extends, presently, to employees of Subsidiary(ies), a Separate Resolution is being proposed at Item No. 12 of this notice.

The Board recommends the resolutions for approval of the members of the Company as Special Resolution.

It is reiterated that none of the Promoters, Non-executive Non-independent Directors and Independent Directors of the Company or their relatives are interested in the passing of the resolution since they are not entitled to any stock options. However, they may be deemed to be concerned

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or interested, to the extent of shareholding, if any in the Company.

The Managing Director and other Key Managerial Personnel of the Company, its Holding and Subsidiary(ies), are deemed to be concerned or interested, to the extent of stock options granted/to be granted pursuant to the scheme and to the extent of shareholding held by them or their relatives, if any, in the Company.

Item No. 13:

To approve the grant of options to employees of subsidiaries of the Company under the Employee Stock Option Plan 2022 - Scheme B:

The Company offers stock options to selected employees of the Subsidiaries Company to foster a spirit of ownership and an entrepreneurial mindset. Because of their nature, stock options help to build a holistic, long-term view of the business and a sustainability focus in the senior management team. Stock options are granted to tenured employees in managerial and leadership positions upon achieving defined thresholds of performance and leadership behaviour. This has contributed to the active involvement of the leadership and senior team who are motivated to ensure the long-term success of the Company. Grant of stock options also allows the Company to be conservative in awarding fixed pay, balance short-term incentives with risk considerations and build the focus on consistent long-term results.

Accordingly, it is proposed to seek approval of the Members to comply the provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SEBI SBEB and SE") Regulations and the Companies Act, 2013 and rules and regulations made thereunder, the Board of Directors of the Company needs to consider ESOP Plan 2022 Scheme-B for issue of Employee Stock Options (ESOPs) for the employees of subsidiaries of the Company.

Disclosures pursuant to Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SEBI SBEB and SE") Regulations, read with SEBI Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 ("ESOP Regulations") and the Companies Act, 2013 (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force), are as under.

Brief Description, Name and Objectives of the Scheme/ Plan;

Employee Stock Option Plan 2022 - Scheme B

Rishabh Instruments Limited ("Company" or "RIL"), a

Company incorporated under the Companies Act, 2013 and having its registered office at A-54, MIDC, Opp MIDC Bus Depot, Andheri (East) Mumbai City MH 400093, has structured this Plan for its Subsidiaries Employees.

The Objectives of this Plan are as under:

- a) Retention of employees
- b) Attracting talent from the market;
- c) Wealth creation and accumulation for the employees; and
- d) Attain individual performance targets and drive performance of the Company

These objectives/purposes are sought to be achieved through the Grant of Options to the Employees of Subsidiaries of Rishabh Instruments Limited (the Company).

The total number of stock options to be granted;

The maximum number of Shares that may be issued pursuant to the Exercise of Options granted to the Participants under this Plan shall not exceed 2,30,400 (Two Lakhs Thirty Thousand Four Hundred). The Committee reserves the right to increase or reduce such number of shares as it deems fit.

Identification of classes of employees entitled to participate in the Employees Stock Option Scheme;

Only Permanent Employees are eligible for being granted Employee Stock Options under ESOP Plan 2022 Scheme - B. The specific employees to whom the Options would be granted and their Eligibility Criteria would be determined by the Board / Committee.

Scheme - B shall cover all the employees of Subsidiary Companies except the President of Lumel SA and Lumel Alucast Sp. Zo.o.

The appraisal process for determining the eligibility of employees to the Employees Stock Option Scheme;

The appraisal process for determining the eligibility of the employee will be specified by the Board/Committee of the Company and will be based on criteria such as criticality of the role, designation, length of service, past performance record, future potential of the employee and/or such other criteria that may be determined by the Board of the Company at its sole discretion.

The Committee may at its discretion grant the options to the identified Eligible Employees considering their period of employment with its Subsidiaries, their past and future performance and the Company's performance during the said period to the identified Eligible Employees, in accordance with the terms and conditions of Scheme -B



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notified under the Plan for the time being in force.

Further, the eligible employees with a long period of service shall be eligible for additional options at the discretion of the Committee considering their period of service and designation.

The Grant of Options to the eligible employee upon approval by the Committee shall be made in writing under a Grant Letter and communicated to the Eligible Employee. Such Grant Letter shall state the Grant Date, number of Options offered, the Exercise Price and the Acceptance Period and such other details as may be deemed necessary by the Committee.

The requirements of vesting and period of vesting;

Options granted under ESOP Plan 2022 Scheme - B would vest not earlier than one year and not later than five years from the date of Grant of such Options. Vesting of Options would be subject to continued employment with the Company's Subsidiaries and thus the Options would vest on the passage of time. However, in addition to this, the Board may also, if it feels necessary in certain or in all cases, specify certain performance parameters – corporate, individual or a combination – subject to which the Options would vest. The specific Vesting Schedule and Vesting Conditions subject to which Options would vest would be detailed in writing and provided to the Option Grantee at the time of the Grant of Options.

The maximum period within which the options shall be vested;

The options would vest not earlier than one year and not later than five years from the date of the Grant of Options. The exact proportion in which and the exact period over which the Options would vest would be determined by the Board.

The Exercise Price or the formula for arriving at the same;

The Exercise Price payable by the employee with respect to such vested options for the purpose of this Scheme shall be INR 250 per share.

The Exercise Period and Process of Exercise;

The Exercise period is six months from the date of vesting of options in the hands of employees. The Committee can decide the procedure for the Exercise of Options and Allotment of Shares. Further, all transfers or allotments of shares are subject to final approval by the Committee.

Subject to the Notified Scheme, the Participant alone can Exercise the Vested Options within the Exercise Period as per the Scheme. Such exercise may be of all Vested Options or part of the Vested Options.

No Vested Option shall be exercisable in its fractional form.

Exercise of the Vested Options shall take place at the time and place designated by the Committee and by executing such documents as may be required under the Applicable Laws by the Committee to pass a valid title of the relevant Shares to participants/employees, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein. A Vested Option shall be deemed to be validly exercised only when the Committee or any other person ratified by the Committee receives written and signed notice of Exercise ('Exercise Form') from the Participant and, the full payment of the Exercise Price, taxes (wherever arising) and any other sums due to the Company as per the Plan in respect of Exercise of the Option ('Aggregate Exercise Price').

The Aggregate Exercise Price shall be paid in full upon the Exercise of the Vested Options.

The Lock-in period, if any;

The Shares arising out of exercise of Vested Options shall not be subject to any lock-in period after such Exercise.

The maximum number of options to be granted per employee and in aggregate;

The Total Number of Options that may be granted to any specific employee under the Employee Stock Option Scheme during any one year shall not be equal to or exceed 1% of the Paid-Up capital at the time of grant and in aggregate shall not exceed 2,30,400 (Two Lakhs Thirty Thousand Four Hundred only) equity shares of the Company having Face Value of INR 10 each.

Maximum quantum of benefits to be provided per employee under a scheme(s);

The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of exercise of options.

Whether the scheme(s) is to be implemented and administered directly by the company or through a trust;

ESOP Plan 2022 Scheme B shall be administered by the Company and not through a trust.

Whether the scheme(s) involves new issue of shares by the Company or secondary acquisition by the trust or both;

The Scheme shall involve new issue of shares by the Company.

The amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.;

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This is not applicable under the present scheme.

Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);

This is not applicable under the present scheme.

A statement to the effect that the Company shall conform to the accounting policies specified in regulation 15;

The Company shall comply with the disclosures and the accounting policies as prescribed from time to time.

Terms & conditions for buyback, if any, of specified securities covered under these regulations

Not Applicable.

The method which the Company shall use to value its Options;

The employee compensation cost shall be calculated as decided by the Compensation Committee or Board of Directors of the Company.

The conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct;

The options which vested may be cancelled in the following events:

- a. Expiry of the exercise period,
- b. On resignation/Termination/separation due to misconduct/breach of Company policies,
- c. Abandonment, and
- d. Voluntary surrender of options

The specified time within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of the employee;

In the event of Death or Disability of a participant, the vested and / or unvested options shall be governed by the covenants of clause 13.1 and 13.2 of the RIL ESOP Plan 2022.

In the event of Resignation, the Participant will get the vested options as of the date of resignation. A window of 15 days would be provided to such employee to exercise such vested options if the participant wishes to continue holding shares. Therefore, the provisions of Clause 8.1 of this Scheme would not be applicable for such employee. Any unexercised options post this period would lapse without any surviving right / liability for any party.

Any cash exit (by way of buy-back or otherwise) would

not be provided by the Committee to such resigning employees.

Any other mode of termination of employment (i.e., attainment of superannuation age, termination for cause, etc or otherwise) would be governed by the covenants of the Plan (refer re-spective paras in clause 13 of the Plan).

A statement to the effect that the Company shall comply with the applicable Accounting Standards;

The Company shall comply with the applicable Accounting Standards including disclosures and the Accounting Policies prescribed under the Companies Act, 2013 and the guidelines issued by the Institute of Chartered Accountants of India.

Variation in terms of the Scheme;

The Company may by Special Resolution, vary the terms of the Employees Stock Option Scheme not yet exercised by the employees provided such variation is not prejudicial to the interests of the option holders.

Other terms and conditions of the issue include Dividend and Voting Rights.

The employees shall not have the right to receive any dividend or to vote or in any manner enjoy the benefits of a shareholder in respect of option granted to them, till shares are issued on exercise of option. The other terms and conditions of issue shall be as per specified by the Board of Directors at the time of issue and agreement under the Employee Stock Option Scheme.

In case the company opts for expensing of share based employee benefits using the intrinsic value, 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, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share ('EPS') of the company shall also be disclosed in the Directors' Report.

Pursuant to Section 62(1)(b) of the Companies Act, 2013, the Company may issue further equity shares to employees under the scheme of stock options subject to a Special Resolution passed by the Shareholders. As per SEBI (SBEB and SE) Regulations, the Company may by Special Resolution vary the terms of the scheme offered pursuant to an earlier resolution provided that such variation is not prejudicial to the interests of the employees.

As per SEBI (SBEB and SE) Regulations, a Separate Resolution is required to be passed if the benefits of Stock Options are to be extended to employees of Holding and/or Subsidiary Company(ies). Since the gamut of Grant of Stock Options extends, presently, to employees of



ANNEXURE TO THE NOTICE (Contd.)

Subsidiary(ies), a separate resolution is being proposed at Item No. 13 of this notice.

The Board recommends the resolutions for approval of the Members of the Company as Special Resolution.

It is reiterated that none of the Promoters, Non-executive Non-independent Directors and Independent Directors of the Company or their relatives are interested in the passing of the resolution since they are not entitled to any Stock Options. However, they may be deemed to be concerned or interested, to the extent of shareholding, if any in the Company.

The Managing Director and other Key Managerial Personnel of the Company, its Holding and Subsidiary(ies), are deemed to be concerned or interested, to the extent of stock options granted/to be granted pursuant to the scheme and to the extent of shareholding held by them or their relatives, if any, in the Company.

Item No. 14:

To adopt a new set of Memorandum of Association as per the Companies Act, 2013

The Existing Memorandum of Association (“MOA”) of the Company is based on the Companies Act, of 1956, and is no longer in conformity with the Companies Act, of 2013. With the coming into force of the Companies Act 2013, several clauses of MOA as specified in this notice, require alteration/deletion. Given this position, it is

considered expedient to adopt a new set of Memorandum of Association (primarily based on Table A set out under Schedule I to the Companies Act, 2013) in place of the existing MOA. As per the provisions of Section 13 of the Companies Act, 2013, a Special Resolution must be passed by the Members of the Company for the Adoption of the amended and restated MOA of the Company.

The Board recommends the above resolution to the shareholders for their approval as a Special Resolution. A copy of the amended and restated MOA of the Company would be available for inspection by the members at the Company’s website <https://rishabh.co.in/>. and at the Registered Office of the Company during business hours on any working day.

None of the directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the said resolution.

Item No. 15:

To approve the extension of the time limit for the utilisation of funds raised in the IPO.

The Initial Public Offering (IPO) of Rishabh Instruments Limited was duly completed on September 11, 2023, during which the Company raised a total amount of **INR 708.05 Million (“Net Proceeds”)**. The proceeds from the IPO were allocated in accordance with the objectives set forth in the IPO prospectus, specifically for :

Sr. No.	Objects as per Prospectus	IPO Proceeds (in INR Million)
1	Financing the cost towards the Expansion of Nashik Manufacturing Facility I.	628.86
2	General corporate purposes.	79.19
Total		708.05

As of March 31, 2024, the Company has utilised: **(Amount in INR Million)**

Sr. No.	Objects as per Prospectus	IPO Proceeds	Total amount spent up to March 31, 2024	Un-utilised amount as per the Prospectus
1	Financing the cost towards the Expansion of Nashik Manufacturing Facility I.	628.86	1.18	627.68
2	General corporate purposes	79.19	76.04	3.15
Total		708.05	77.22	630.83

Due to delays in the implementation of the aforesaid project, the Company requires an extension to the period for the full utilisation of the remaining IPO proceeds. The Original date for the utilisation of these funds was up to Financial Years 2023-24 and 2024-25. The Board of Directors propose to extend this period upto the Financial Year 2028-29.

The proposed extension is anticipated to facilitate the more effective completion of ongoing projects and ensure the optimal allocation of funds to meet strategic objectives.



ANNEXURE TO THE NOTICE (Contd.)

The proposed extension of the utilisation period requires the approval of the shareholders, as it constitutes a modification to the Original utilisation schedule established at the time of the IPO. The Board of Directors is of the opinion that this extension is in the best interests of the Company and its shareholders, as it will enable more effective deployment of the IPO proceeds.

The Board of Directors recommend the Resolution at Item No. 15 of the accompanying Notice for the approval of the Members of the Company as a Special Resolution.

None of the directors or Key Managerial Personnel of the

Company or their relatives are concerned or interested in the said resolution.

By The Order Of Directors

Narendra J. Goliya

Chairman And Managing Director

DIN: 00315870

Address: 'Rishabh Enclave'

Plot No. 5/6/7 S.n.42/2,

Anandwalli, Nashik 422013

Place: Nashik

Date: August 09, 2024



RISHABH

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Maharashtra 422007