To,

Listing Manager,
The National Stock Exchange of India Ltd.,
Exchange Plaza, Plot No: C/1, G Block,
Bandra Kurla Complex- Bandra(E),
Mumbai - 400051
Symbol: EMIL
Series: EQ
ISIN: INE02YR01019

The Secretary
BSE Limited
PJ Towers
Dalal Streets
Mumbai- 400001

Scrip Code: 543626

Sub: Integrated Annual Report for the financial year 2022-23 and Notice convening the Fifth Annual General Meeting of the Company.

Dear Sir/Madam,

We wish to inform you that the Fifth Annual General Meeting (AGM) of the Company is scheduled to be held on Wednesday, 23rd August 2023, at 12:30 p.m. IST through Video Conference/Other Audio-Video Means in accordance with the circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

Pursuant to Regulations 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting the Integrated Annual Report of the Company for the financial year 2022-23 along with the Notice convening the Fifth Annual General Meeting, which has been sent through electronics mode today to those Members whose email addresses are registered with the Company, Registrar and Transfer Agent and Depositories.

The Company's Integrated Annual Report for the financial year 2022-23, along with the Notice convening the Fifth Annual General Meeting, is also available on the Company's website at www.electronicsmartindia.com.

Participation at the AGM only through VC/OAVM

The AGM will be held through VC/OAVM, without the physical presence of the members at a common venue, and attendance of the shareholders through VC/OAVM will be counted to reckon the quorum under Section 103 of the Act.

Instruction for e-Voting before and during the AGM

In compliance with Section 108 and other applicable provisions of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and SEBI Circular dated December 9, 2020, the Company has engaged KFin Technologies Limited (KFin) for providing e-Voting platform to Members of the Company for casting their votes on the resolutions as set out in the Notice through (a) remote e-voting before the Meeting; and (b) e-voting during the Meeting.

Members of the Company holding shares as of Thursday, 17th August 2023 (cut-off date) may vote by remote e-voting in proportion to their shareholding in the paid-up capital of the Company as of the cut-off date through any of the below modes: -

i) Remote e-voting before the AGM

Commencement of remote e-voting period	Sunday, 20th August 2023, at 09:00 a.m. (IST)
Conclusion of remote e-voting period	Tuesday, 22nd August 2023, at 05:00 p.m. (IST)

It is important to note that the KFin shall disable the remote e-voting after the conclusion of the e-voting period.

ii) Voting during the AGM via e-voting

During the AGM, the Members who are entitled to vote but have not voted through remote e-voting may still exercise their voting rights through e-voting. However, members who have already voted through remote e-voting shall not be allowed to vote again during the AGM, although they may still participate in the AGM.

Details instructions pertaining to (a) remote e-voting before the meeting, (b) participation in the meeting through VC/OAVM, (c) e-voting during the meeting, and (d) registration of email IDs are provided in the Notice of the AGM.

We request you to take this on record.

Thanking You,
For and on behalf of **Electronics Mart India Limited**

RAJIV KUMAR
Digitally signed by RAJIV KUMAR
Date: 2023.07.28 17:22:34 +05'30'

Rajiv Kumar
Company Secretary and Compliance Officer

Date: 28th July 2023
Place: Hyderabad

Electronics Mart India Limited

Integrated Annual Report 2022-23

BUILDING ON LEGACY. DELIVERING ON TRUST.

ELECTRONICS | KITCHENS | AUDIO | AUTOMATION |

ACROSS THE PAGES

Investor Information

Market Capitalisation as on 31st March 2023	: ₹ 25,540 Million
CIN	: L52605TG2018PLC126593
BSE Code	: 543626
NSE Symbol	: EMIL
AGM Date	: 23rd August 2023
AGM Venue	: Virtual

For more investor-related information, please visit:

https://investors.electronicsmartindia.com/electronics-mart-annual-report

Or scan the QR code

Disclaimer:

This document contains statements about expected future events and financials of Electronics Mart India Limited, 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 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.

BUILDING ON LEGACY. DELIVERING ON TRUST.

As an established leader in the electronics retail industry, Electronics Mart India Limited (EMIL) has remained steadfast in its pursuit of excellence, consistently setting new benchmarks and surpassing expectations. Over the years, we have fostered a legacy that is built on the foundation of unwavering dedication, integrity, and relentless focus on delivering the highest-quality shopping experience, products and services to our valued customers.

In today's dynamic world, certain organisations possess the remarkable capability to surpass the shifting currents and endure over time. These entities are distinguished by their ability to leverage a valuable legacy while consistently meeting the expectations of customers. They recognise that success is not only just an outcome of adapting to change but also upholding the principles and values that have earned them the unyielding support of their stakeholders. By delivering on this trust, they forge enduring relationships with their customers, employees, partners, and communities, securing a prominent place in the annals of success.

Our commitment to innovation and adaptation keeps us one step ahead. Our ability to identify emerging trends, technological advancements, and customer needs has solidified our position as a trusted provider of cutting-edge electrical and electronic products. This dedication enables us to **Deliver on Trust**, earning our customers' confidence.

Our philosophy of providing a world-class shopping experience to our customers is key to our success. We have consistently identified and capitalised on emerging opportunities to sustain our growth. All this has enabled us to gain recognition as the leading consumer electronics and durables retailer and serve our customers with pride.

Building on Our Legacy, we have successfully completed a listing on the stock exchanges. We are excited to embark on a new chapter in our journey towards providing a rich experience to our consumers.

EMIL: A STORY OF BUILDING LEGACY AND TRUST

Fourth-largest consumer durables and electronics retailer in India

Largest Player in the Southern region (in terms of revenue) with dominance in Telangana and Andhra Pradesh

Diversified product offerings from **100+ brands** comprising more than **6,000 SKUs** across product categories

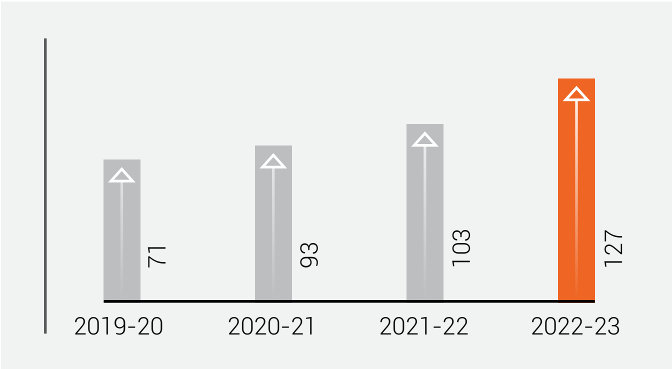
Electronics Mart India Limited (EMIL or The Company) is a renowned multi-brand consumer durables and electronic and electrical appliances retailer specialising in a wide range of products. These include mobile devices, laptops, home and kitchen appliances, home entertainment systems, cameras, and personal care items. The Company operates a network of multi-brand outlets (MBOs) under the brand name Bajaj Electronics and Electronics Mart and manages exclusive brand outlets (EBOs) for various brands. In addition, it has established specialty stores such as Kitchen Stories, offering luxury modular kitchens including built-in kitchen appliances; Easy Kitchens, offering affordable modular kitchens including built-in kitchen appliances; Audio & Beyond, focussing on high-end audio and home automation solutions; and IQ, an exclusive chain of Apple Stores.

₹ 54,457.10 Million
Revenue for 2022-23

13.60%
Gross Margin

2,274
Number of Employees

Retail Store Count



Vision

- To achieve the milestone of happy customers with every purchase.
- To fulfil every customer's requirement with the best range of home appliances from world - renowned brands.

Mission

To provide best technology for every household in the country and deliver wide range of durable products at affordable prices.

Values

Quality First

Everyone has aspirations of having a home with luxury electronic brands and a comfortable home. We aim to serve our customers with top-notch quality brands yet maintain the customer and pocket-friendly prices. Quality is a need in itself and we have proven to cater to our customers' satisfaction and continue to do so.

Loyalty is a Priority

We, as a team, promise to put forward the top and the most reliable products and services to our customers. We wish to keep the consistency of bringing a smile on each of our customer's faces with our successful attempts at being trustworthy.

Stay Updated about Electronics Trends

A new day is a new introduction to a new trend. As a team, we work towards learning about the electronic trends in and around the globe to provide our audience with worldly home appliances and gadgets in time. The need to stay updated applies to us, because our main priority is our customer's necessities.

Best Service

We aspire to build a bond with our customers. To be at our audience's service any minute of the day and guide them with any help regarding technology and electrical appliances is our number one priority.

BUILDING TRUST WITH EMIL'S BRAND PORTFOLIO

EMIL aspires to differentiate its offerings by leveraging its relationships with the largest brands in the electronics and appliances space, to bring unique features into the market. This extensive brand network gives the Company a competitive edge, allowing it to offer products with distinct features and capabilities that are difficult to replicate.

Diversified Product Offerings


AC


Mobile Phone

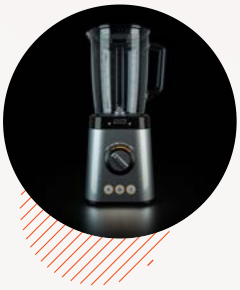

Laptop


TV


Washing Machine


Refrigerator


Cooler


Mixer


Hob and Chimney

Bajaj Electronics

With an extensive array of opulent multi-brand consumer electronics offerings and an exquisite shopping journey, Bajaj Electronics, gracefully introduced by EMIL, stands as a trailblazer in its industry.

Bathed in a radiant sense of pride, Bajaj exults in its role as a trusted sanctuary for countless patrons. The brand's renown is attributed to its diverse range of premium multi-brand consumer electronics and unparalleled retail encounters.

The Legacy Continues

Bajaj Electronics embarked on a transformative journey by entering the digital realm through the introduction of its online platform. By combining technology and innovation, it took a remarkable step forward, establishing an enduring reputation within the industry. Throughout this evolution, the brand has firmly upheld its dedication to providing exceptional services and delivering premium products directly to customers' homes.

Leading Electronic Brands Include:

Take a tour of the Bajaj Electronics website

https://www.bajajelectronics.com/

Wide range of products across all categories of electronics

Competitive prices for quality products

Easy and multiple finance options and easy installment schemes iQ

Enjoy the world of Apple with iQ, an authorised Apple reseller from the house of EMIL. The brand's showrooms are designed as per Apple's world-class standards and showcase the latest products. A haven for all Apple lovers, iQ stands tall in its promise of delivering happiness in the form of all things electronics.

Scan below to enter a miniature version of Apple with iQ

https://iqstoreindia.com/

Products on Offer

iPhone

Mac

iPad

Apple Watch

Airpods

Other Accessories

Kitchen Stories

Experience the epitome of luxury built-in kitchens with Kitchen Stories, India's pioneering experiential showroom. The brand is bringing a new dimension to modular kitchens in association with the renowned German brand, Häcker Appliances. Leveraging the expertise and innovation of Häcker Appliances, Kitchen Stories is creating stunning and functional kitchen spaces that cater to the unique needs and preferences of clients.

15+

Globally-Renowned Brands

For a picture-perfect kitchen and A-Z luxury kitchen needs, visit Kitchen Stories

https://bekitchenstories.com/products

Audio & Beyond

Elevate your home to the next level with Audio & Beyond, the ultimate destination for luxury home technology and automation. With a wide range of top-quality products from leading brands worldwide, Audio & Beyond offers a seamless experience, allowing users to enjoy complete control over their home environment.

Products on Offer

Audio and Video Solutions

Home Automation

Whole Home Networking

Security

Home Theatre Solutions

Conference Room Solutions

Vision

Our focus is on creating experiences!

Audio & Beyond has an innovative spirit to ensure that smart homes can create the best experiences when powered with the latest technology. Making this technology accessible is what Audio & beyond aims to achieve!

Mission

Connecting homes with smart technology and state of the art products to deliver a user experiences that is future-friendly and educational. Smart homes are not the future, they are the present!

Values

Transparency at every step of the way and ensuring that it's a collaborative experience is what we prioritise. Bringing reliable solutions to our clients and integrating on globally renowned brands into our solutions ensures that we deliver unparalleled user experience and top-notch quality.

30+

Globally Renowned Brands

To make your home a smart home visit us at

https://www.audioandbeyond.in/rooms

Easy Kitchens

Experience the finest range of affordable modular kitchens and built-in kitchen appliances with Easy Kitchens. In association with EMIL, Easy Kitchens offers appliances that provide high-end functionality and come in a range of contemporary design options. Crafted from the finest materials and with impeccable finish, the brand's offerings exude luxury.

Easy Kitchen is committed to offering tailormade solutions to meet the specific needs of its customers. Through personalised design consultations, Easy Kitchen aims to assist customers in creating kitchens that reflect their unique personalities, thereby bringing joy and enhancing their lives.

3

Showrooms in Hyderabad are Open Seven days a Week

Come and explore the world of Easy Kitchens

https://easykitchens.co.in/

EMI
Electronics Mart India Limited

JOURNEY OF EXCELLENCE AND BUILDING ON LEGACY

1980

- Inaugurated first store at Lakdi-ka-pool, Hyderabad

2014

- Crossed ₹ 5,000 Million in net sales

2017

- Entered the e-commerce market with the launch of www.bajajelectronics.com
- Awarded 'Outstanding Performer (Air Coolers)' by Voltas

2018

- Opened 50th store in Hyderabad
- Surpassed ₹ 20,000 Million in net sales
- Incorporated the Company pursuant to its conversion from a partnership firm into a public limited Company
- Opened the first Apple IQ store in Hyderabad's Attapur

2019

- Started operating on an e-commerce platform in partnership with Amazon and Paytm, extending the Company's operations beyond brick-and-mortar stores in Andhra Pradesh and Telangana

2020

- Crossed ₹ 30,000 Million in net sales
- Awarded 'Best' Sales Performance Cross categories in 2019-20 by Samsung
- Awarded 'Most Promising Channel Partner-dispenser' by Voltas

2021

- Increased number of operational stores to 99, with 88 multi-brand outlets and 11 exclusive brand outlets

2022

- Listed IPO at BSE/ NSE
- Raised ₹ 5,000/- Million incremental working capital requirements, for expansion and opening of new stores and warehouses and repayment of term loan
- Entered new area by opening 12 stores in NCR

2023

- Ventured into Kerala and expanded to newer geographies

MESSAGE FROM THE CHAIRPERSON

Dear "Members"

I am honoured to present to you our Annual Report for the year 2022-23, which encapsulates the significant strides we have taken as a Company. The previous year has been truly significant for us, marked by the successful initiation of our Initial Public Offering (IPO). This major milestone signifies a crucial advancement in our pursuit of continuous growth and expansion. Beyond bolstering our financial stability, this remarkable accomplishment has also instilled in us a deep sense of motivation to uphold our promise of delivering exceptional value and trust to our esteemed stakeholders. With the unwavering backing of our investors and partners, we are thrilled to embark on this exciting new chapter of our journey, further building upon our esteemed legacy of excellence and solidifying our position as an industry leader.

Legacy of Delivering on Trust

The theme of the Company, 'Building on Legacy, Delivering on Trust,' reflects the tireless efforts of every individual who has contributed to our success. Our steadfast commitment to delivering a world-class shopping experience for our customers, over the years, is evident from our recent exclusive partnerships with renowned international brands for specialised stores.

We are delighted to share remarkable milestones from the previous year, most notably the successful introduction of our specialised home cinema and automation brand, 'Audio and Beyond.' This marks our entry into the high-end audio products and automation technologies market, which has enormous potential for the future, allowing us to capture a larger market share. Our expansion into the economical kitchen business through the launch of our brand, 'Easy Kitchen,' integrated with appliance sales, is testament to our vast experience in understanding consumer psychology and the demands of the industry we cater to. We have also sustained our growth through expansion into new territories such as Andhra Pradesh, Telangana, and Delhi/NCR. The continuous recognition of our efforts through various awards from leading OEM brands and other dealers cements our position as a leader in the industry.

Macroeconomic Aspects

I am delighted to report that the future for the electronics consumer durable business in India looks very promising. As the world's second-largest smartphone market, India has a rapidly expanding consumer electronics industry. The growth of this industry can be attributed to several factors including increasing purchasing power of the middle class and growing penetration of the internet and smartphones. Initiatives such as 'Make in India' and 'Digital India' by the Indian Government have also contributed significantly to this industry's growth. The provision of incentives to manufacturers to set up production units in India has also led to job creation and a reduction in the cost of electronic goods. Additionally, the Covid-19 led to an accelerated adoption of digital technologies, increasing the demand for electronic devices like laptops, smartphones, and tablets. Overall, EMIL is well-positioned to leverage these favourable conditions and continue delivering innovative and quality products to customers.

Performance Review

Nurturing enduring alliances with an array of esteemed brands, including our five foundational brands, has bestowed upon us the power to forge advantageous agreements, safeguarding our margins while achieving remarkable volumes. The consolidated figures are as follows; revenues stood at ₹ 54,457.10 Million as of 31st March 2023. EBITDA during the year grew from ₹ 2,919.53 Million in 2021-22 to ₹ 3,360.83 Million in 2022-23. Our profit before tax improved from ₹ 1,397.69 Million in 2021-22 to ₹ 1,632.05 Million in 2022-23. PAT was ₹ 1,039.02 in 2021-22 and grew by ₹ 1,228.13 in 2022-23. With steadfast dedication, our gross margins remained above 13.50% during the year. Through fortifying brand partnerships, we provide customers with unparalleled products and services, ensuring the long-term sustainability and profitability of our business.

Leading with Offerings and Technology

We have achieved significant advancements in various areas of our business through the introduction of cutting-edge technologies like 5G-enabled smartphones, 8K OLED TVs, and other products that cater to a wider customer base. The evolving consumer behaviour in Tier 1, 2, 3 and 4 cities of Andhra Pradesh and Telangana is anticipated to drive our future growth. Our partnership with NBFCs is aiding us in converting sales. Furthermore, we have launched comprehensive solutions, namely EK and KS, comprising both electronics and kitchen appliances to attract a larger customer segment. Additionally, our expansion plans for the upcoming fiscal year encompass important markets such as Andhra Pradesh, Telangana, and Delhi NCR. Through these endeavours, we remain dedicated to providing our customers with innovative and high-quality products that fulfil their needs. We are confident that our strategic initiatives will help us achieve our long-term growth objectives.

Sustainable Footprints Delivering Long-Term Trust

Our growth has been significantly driven by the establishment of new stores in both existing and untapped markets, garnering positive response from various market segments and specialised retailers. This success has prompted us to prioritise sustainable growth strategies by capitalising on opportunities across diverse product categories, including the introduction of premium offerings not yet available in the Indian market. We are actively optimising our store potential and fulfiling our environmental, social, and governance (ESG) commitments through initiatives like solar energy utilisation.

At our core, we believe in the power of corporate social responsibility (CSR) as a catalyst for positive change. By engaging in sustainable initiatives, community outreach, and ethical practices, we aim to make a meaningful impact on society while upholding our commitment to excellence. By doing so, we aim to achieve maximum growth while minimising our carbon footprint.

Furthermore, our emphasis on providing convenient finance options and forging partnerships with extended warranty providers for consumer goods has added significant value to our product offerings. Our collaboration with reputable service providers benefits both our customers and the Company, thereby making a positive impact on our financial performance. We are unwavering in our commitment to delivering value to our customers and shareholders, while also making a meaningful contribution to the society and the environment. This approach ensures a sustainable trajectory for our Company's future.

Vote of Thanks

In conclusion, I would like to emphasise that our achievements are a direct result of customer demand, and we take great pride in delivering exceptional customer service and an enjoyable shopping experience across our stores. This is facilitated by our focus on sustainable societal development, robust promoter background and a highly experienced senior management team, whose visionary leadership has played a pivotal role in cultivating a corporate culture centred around customer satisfaction. Our skilled management team and well-trained staff serve as the bedrock for sustaining and augmenting our long-term competitiveness.

I also want to express sincere gratitude to our valued business partners, suppliers, channel partners, and other associates for their indispensable contributions to our growth and success. We highly appreciate these partnerships and remain dedicated to fostering collaborative efforts that lead to mutual prosperity and accomplishment.

With best wishes,

Mr Pavan Kumar Bajaj
Chairman and Managing Director
Electronics Mart India Limited

CARVING SUCCESS BY BUILDING ON LEGACY

Expanding reach across select geographies and deepening the footprint in existing markets

- Enhance presence in established clusters and expand share in existing markets through peripheral and concentric expansion
- Establish an additional 13 MBOs in the NCR region, 21 MBOs in Andhra Pradesh, and 8 MBOs in Telangana by 2024-25
- Focus on upgrading existing stores and enhancing store infrastructure to ensure a modern and improved shopping experience

Maintaining and forging new relationships with leading brands

- Expand the current range of offerings in the Company's MBOs by fostering and establishing new partnerships with reputable brands
- Cater to kitchen-specific demands, showcasing a wide range of appliances through Kitchen Stories
- Concentrate on high-end home audio and home communication solutions through Audio and Beyond
- Establish EMIL as a comprehensive and complete dealer and distributor of leading electronics brands

Enabling technology-led effective inventory management and lean operating structure

Closely monitor planning, sourcing, vendor management, logistics, quality control, pilferage control, replacement, and replenishment by:

- Investing further in technological systems
- Expanding and upgrading the warehouse
- Continually adapting to best industry practices
- Supplementing the Company's current security system, consisting of manual checks and electronic surveillance
- Transition to an omni-channel business model for a seamless customer experience.

Enhancing sales volumes for continued focus on customer satisfaction

- Provide appropriate product variety at affordable prices; uphold the highest possible standards for customer care and launch new products
- Increase spending on branding and advertising, enhance customer relationship management, and track and handle customer interactions
- Emphasise on engaging customers; improve checkout times by offering a convenient one-stop purchasing experience in a welcoming environment; adopt 'Intelligent Marketing' and notify EMIL satisfaction registered customers of any new scheme or offers
- Employ consumer finance to increase convenience and buying power; offer product access to a larger customer group

Undertaking continuous training of manpower

- Enhance training initiatives to build skill sets needed to satisfy customer demands and deliver top-notch customer support
- Motivate staff members to take initiative and advance within the Company
- Work towards finding and developing talent, and offer opportunities to grow
- Pay close attention to staff recruitment and retention as well as attrition management

BUSINESS MODEL

Input

	Financial Capital Financial capital refers to the pool of financial resources available for further deployment in business operations. This is significant in terms of how the money invested is used through business operations.	Net Worth: ₹ **11,843.10 Million** Net Debt: ₹ **5,578.57 Million** Total Assets: ₹ **26,938.76 Million** Capital Employed: ₹ **19,524.93 Million**
	Physical Capital Physical capital includes the Company's physical assets, such as property, equipment, and inventory. By leveraging these assets with expertise, the Company aims to differentiate itself and emerge stronger.	Warehouse: **11** Presence Across States: **4** Total Operation Area: **1.23 Million sq. ft** Retail Stores: **127**
	Intellectual Capital Intellectual capital demonstrates the strength of EMIL's intangible assets, which supports its growth. This intellectual capital consists of Intellectual Property Rights (IP) and Trademarks, all of which aid in the creation of partnerships.	Trademarks: EMI, Bajaj Electronics, Kitchen Stories, Audio and Beyond, Easy Kitchen and IQ
	Natural Capital Natural capital helps EMIL take conscious steps to lessen its carbon impact for a sustainable tomorrow. The Company aims to make a positive contribution to the society while using natural resources efficiently.	Committed to offsetting carbon footprint by developing a green belt initiative, which will not only beautify the surroundings but also mitigate GHG emissions Safe Disposal: **100%**
	Human Capital Human capital enables EMIL to inculcate honesty from ground up. By investing in initiatives that advance knowledge and skills, EMIL works to promote learning and development. This encourages productivity and efficiency across operations.	Training and awareness programmes held: **68** Health and safety practices: **100%** Total Employees: **2, 269**
	Social and Relationship Capital Social and relationship capital help EMIL promote prudent resource management while fostering the development and fortification of local communities and organisations. The Company's environmental programmes and efforts promote enduring relationships with society and advance sustainability over the long-term.	Trade Mark Brands: **5**

Output

Financial Capital

Financial Capital (Standalone Financials) (₹ Million)

Revenue: ₹ **54,457.10**

EBITDA Margin: **6.2%**

Net Debt/Equity: **0.44**

Physical Capital

Stores added in 2022-23: **24**

MBOs: **23**

EBOs: **01**

Growth in Number of Bills (NOB): **2.96 Lacs**

Intellectual Capital

SKUs: **6,000+**

Online Shopping and App Enhancements

Natural Capital

Input material such as recycled paper packaging etc, are sustainably sourced: **30%**

Total energy consumed from non-renewable sources: **1,50,014.16 GJ**

Human Capital

Wellness Programme: Stores undergo periodic inspections by the local fire department to ensure compliance with all fire safety regulations.

Diverse and Inclusive Work Culture

Fatalities: **Zero**

Social and Relationship Capital

Presence Across Cities: **41**

People Benefited Through Initiatives: **500+**

Brands: **70+**

Input and Output Driving Business

Operating Model

EMIL's business model allows it to offer a range of electrical and electronic products to customers through two primary models:

- Lease rental business
- Ownership

Supply Chain Management

- Timely and efficient distribution of products supported by several measures
- Robust logistics management system
- Explore alternative modes of transport

Brand Building and Partnership

These are two important aspects of business that act as the core for EMIL. They beautifully capture EMIL's brand partners and the stores spread across geographies

SDGs

DELIVERING TRUST THROUGH STAKEHOLDER ENGAGEMENT

EMIL recognises the importance of fostering meaningful relationships with stakeholders, as the foundation for transparent, trustworthy, and respectful connections. The Company has implemented well-structured processes to develop business strategies, risk management protocols, and operational procedures that address the unique needs of each stakeholder group. By considering the perspectives and expectations of its stakeholders, EMIL aims to build strong and sustainable partnerships based on mutual understanding and collaboration.

Stakeholder	Concerns and Expectation	EMIL's Response
Customer	Transparent pricing High-quality and innovative products and services Easy accessibility Environmental and social responsibility	Growing portfolio Affordability Enhanced customer service Improved distribution networks
Employees	Health and safety at the workplace Fair remuneration Opportunities for showcasing talent and growth Concern for employees Engagement, feedback, and grievance mechanisms Work-life balance	Strategic management of HR processes Rewards and appraisal Training and development workshops Healthy workforce initiatives Women Empowerment
Suppliers/ Vendors	Knowledge transmission and support for technology Joint development Domain expertise, experience, and skills Long-term relationships	Integrity and transparent procedures Timely payments Strategies to share knowledge and information
Investors	Risk management Effective conversation Sustainable expansion and profits Exemplary governance and transparency	Timely reporting of significant events Increase in revenue over time Maintaining effective risk management process and strong governance
Government Regulators	Compliance with regulatory requirements Partner in the socio-economic development of the country	Investments in the economy's key sectors Timely payment of regulatory fees Development of procedures to guarantee adherence to regulatory requirements Open line of communication with the relevant authorities
Community	Mutual development Support community requirements Environmental sustainability	Maximise contributions from businesses to the society Attract new workforce Societal accountability and support for regional economic growth

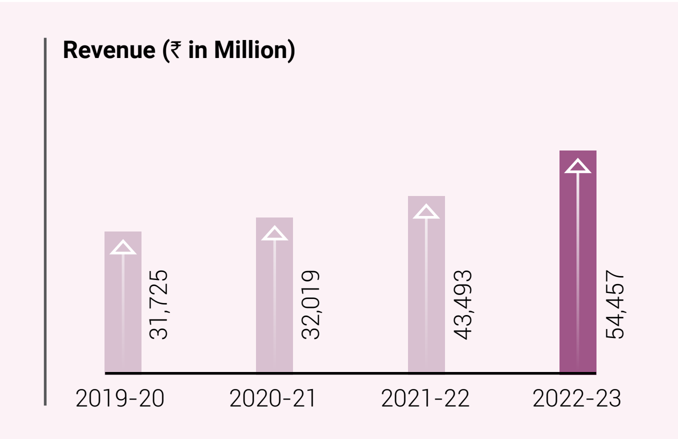
Building Trust and Connections with Stakeholders

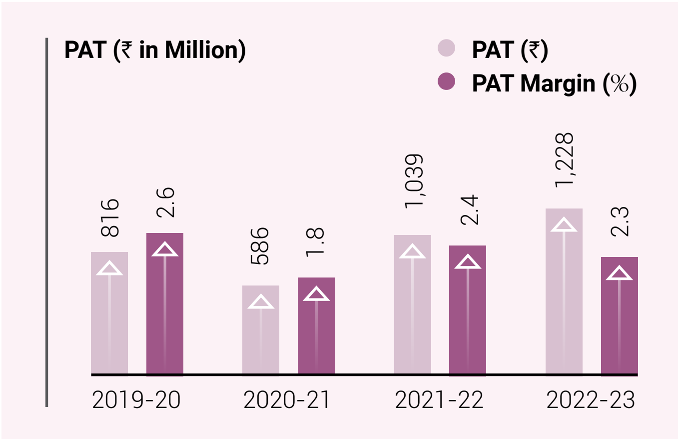
- Social Media
- Annual Engagement Survey for Employees
- Correspondence Industry Exhibitions
- Satisfaction Survey for Customers
- Meetings
- Regulatory Reports
- Press Releases
- Customer Engagement Events
- Websites

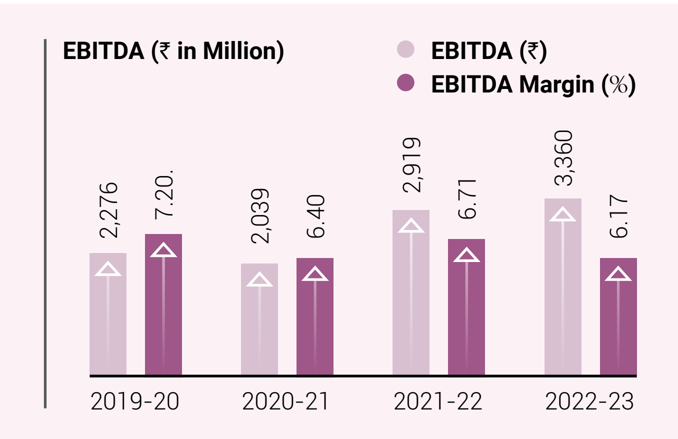
Financial Capital

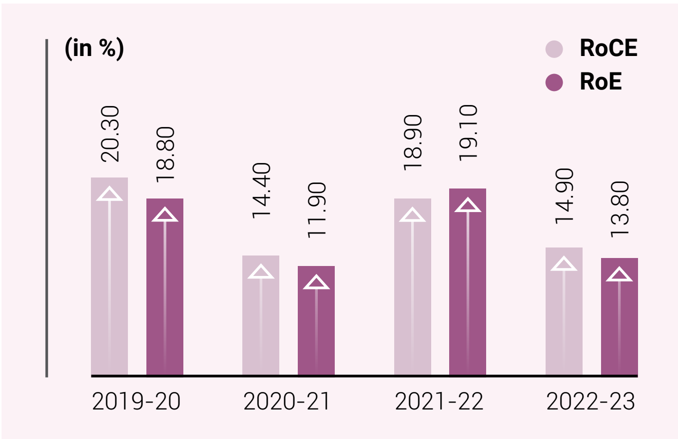
Improving Outcomes by Building a Strong Financial Standing

EMIL places great emphasis on upholding a solid financial foundation, achieved through a steadfast commitment to rigorous financial discipline, prudent capital allocation, and robust risk management practices. These fundamental elements play a critical role in enabling the Company to make well-informed financial decisions. By adhering to these principles, EMIL ensures that it invests wisely in the most promising opportunities while proactively mitigating potential risks that may pose a threat to its financial stability.



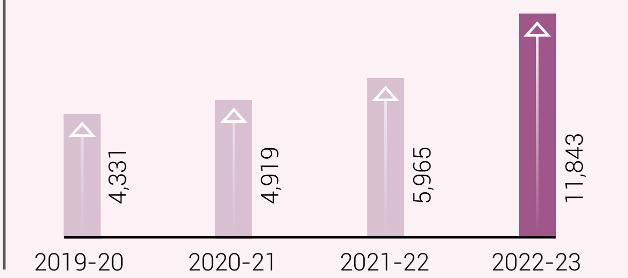




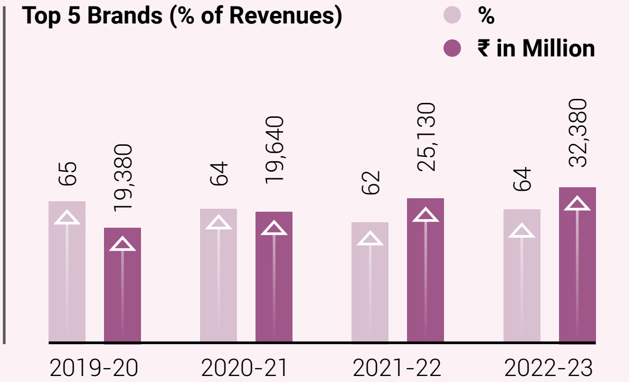


Note: Based on consolidated financials

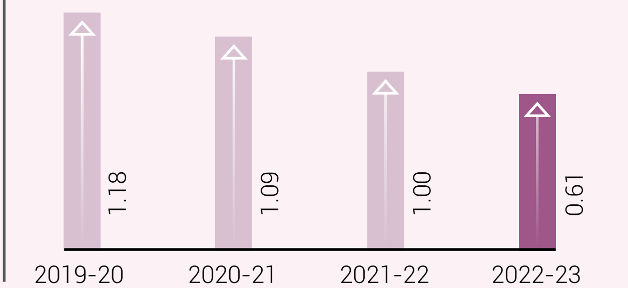
Net Worth (₹ in Million)



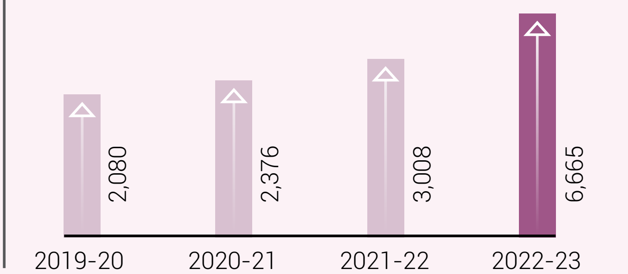
Top 5 Brands (% of Revenues)



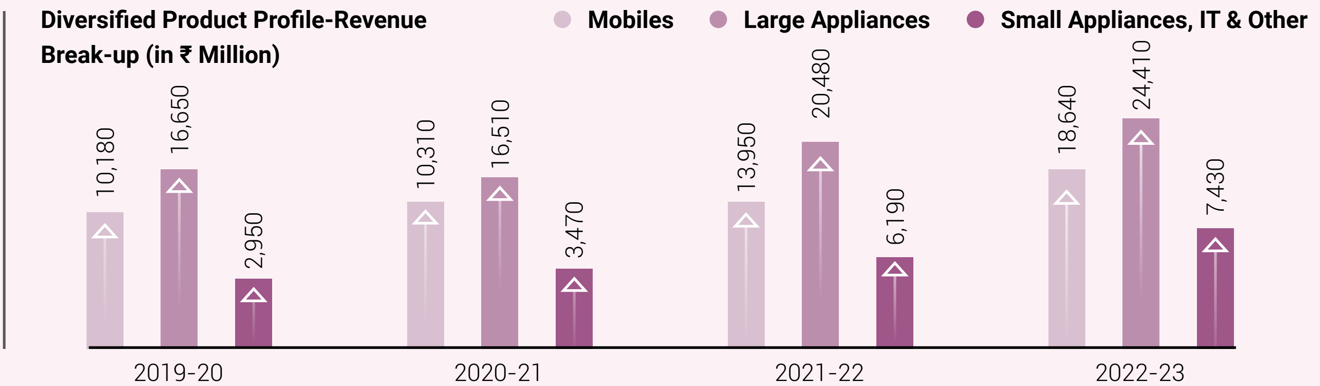
Debt Equity Ratio (X)



Working Capital (₹ in Million)



Diversified Product Profile-Revenue Break-up (in ₹ Million)



Note: Based on consolidated financials

Physical Capital

Delivering High-Quality Services through a Robust Infrastructure

EMIL places great emphasis on upholding a solid financial foundation, achieved through a steadfast commitment to rigorous financial discipline, prudent capital allocation, and robust risk management practices. These fundamental elements play a critical role in enabling the Company to make well-informed financial decisions. By adhering to these principles, EMIL ensures that it invests wisely in the most promising opportunities while proactively mitigating potential risks that may pose a threat to its financial stability.

127

Retail Stores

Delivering Value in Operations with an Agile Business Model

Ownership and Lease Rental Business

This model aims to build reliable, long-lasting relationships with customers, maximise profitability, maintain operational flexibility, and ensure that stores continue to be located in populated and residential areas. At EMIL, both the ownership and lease rental business models have their advantages. The Company carefully considers significant factors before making decisions. Both models ensure permanency and brand recognition in designated areas.

EMIL Ownership Business Model

Complete Control over Assets, Asset appreciation, Tax Deductions

EMIL Lease Rental Business Model

Long-Term Leases, Reduced Upfront Costs, Increased Flexibility

11

Stores Owned

105

Stores Leased

11

POPL

Warehousing Facilities

EMIL's infrastructure comprises large warehousing facilities situated in central locations. Each facility is complemented by individual storage spaces at the store level with varying dimensions to accommodate the specific needs of individuals or groups of stores.

The Company houses six warehouses in Hyderabad to cater to the Telangana region and one warehouse each in Vijayawada and Visakhapatnam for the Andhra Pradesh region and three in Delhi NCR. Its wide-spread supplier network and warehousing facilities, located within the reach of the consumer durables and electronic retail stores, have allowed the Company to provide products at cost-competitive rates. This is possible due to the reduced procurement and transportation costs. Further, EMIL has several individual storage areas of varying sizes to cater to individual stores or a group of stores.

1.23 Million sq. ft.

Retail Business Area

11

Central Warehouses

Store Format

MBO (Multi-Brand Outlets)

EMIL showcases an extensive range of electronic products under one roof in its MBOs. The Company aims to provide its customers with a complete and diverse shopping experience. The Company considers introducing additional product categories or expanding the selection of products within existing categories to enhance this model.

10,416 sq. ft. per store

MBOs' Average Store Area

EBO (Exclusive Brand Outlets)

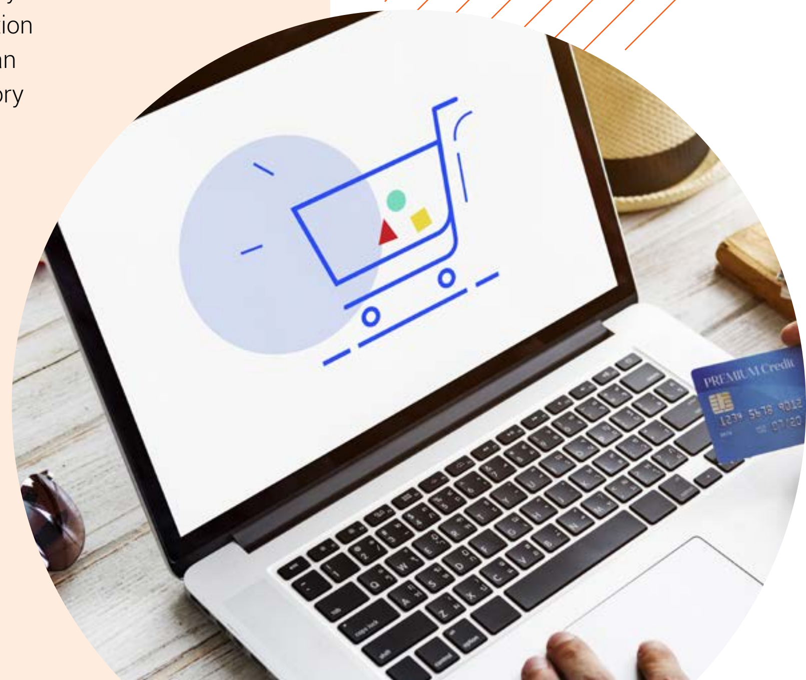
EMIL provides a specialised brand experience through its EBOs, catering to customers who are looking for a particular brand or product. To enhance this model, the Company is mapping its focus on improving store design and layout. The aim is to provide exceptional customer service and introduce innovative technologies such as interactive displays and augmented reality, to enhance the shopping experience.

3,210 sq. ft per store

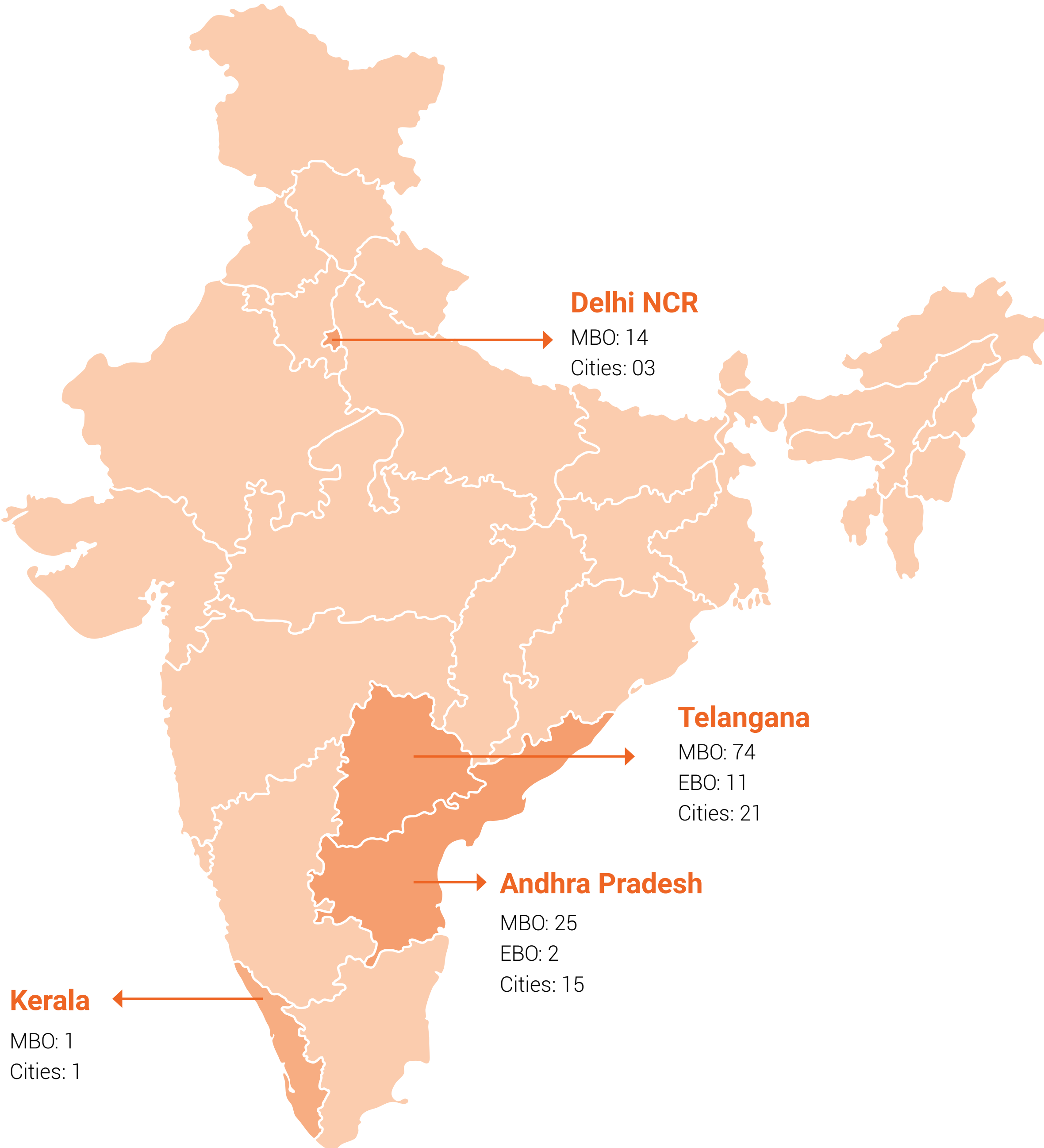
Average Store Areas of EBOs

E-commerce

EMIL is focussing on e-commerce, omni-sales channels, and brand collaboration to improve reach and visibility. This will route the Company towards the e-commerce marketplace and help enhance the speed and reliability of order fulfilment, leading to greater customer satisfaction and increased sales. Additionally, efficient logistics can help reduce transportation costs and improve inventory management, leading to higher profits and greater operational efficiency.



Expanding Our Reach by Building on Our Distribution Network



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.

MBO BRANDS (Stores)

92	13	5	1	3
BAJAJ ELECTRONICS	ELECTRONICS MART	KITCHEN STORIES	AUDIO & BEYOND	EASY KITCHENS

Intellectual Capital

Delivering High-Quality Services through a Robust Infrastructure

EMIL places great emphasis on upholding a solid financial foundation, achieved through a steadfast commitment to rigorous financial discipline, prudent capital allocation, and robust risk management practices. These fundamental elements play a critical role in enabling the Company to make well-informed financial decisions. By adhering to these principles, EMIL ensures that it invests wisely in the most promising opportunities while proactively mitigating potential risks that may pose a threat to its financial stability.

Technology Strengthening Operations

Efficient Inventory Management

- Use of computerised inventory management systems in stores to monitor everyday inventory levels and SKU movement
- Extensive network of suppliers, with more than 80% of purchases coming from original equipment manufacturers
- First-in, first-out strategy for all merchandise to keep track of inventory levels and ensure that inventories are updated
- Synchronised inventory management tools between all stores, offices, and distribution centres

Robust Information Technology System

- Implementation of ERP and POS systems from reputable industry software providers
- Utilisation of a diverse set of data management tools to facilitate procurement, sales, and inventory management across all stores on a daily basis
- Integration of tracking systems that provide real-time updates on the status of customer orders
- Leveraging of data analysis to identify and promptly respond to changes in customer preferences, aligning inventory accordingly
- Utilisation of technological systems that aid in effectively and uniformly monitoring and managing the performance of stores; they also provide logistical support to ensure that the Company's product portfolio remains updated and delivery is timely and effective
- Supporting cash management, in-store systems, logistics systems, human resources, and other administrative functions, through technological systems

Ensuring a Better Tomorrow for Consumers by Delivering on Trust

EMIL's consumers are at the heart of all its offerings. The Company's success is underpinned by how it addresses and meets its customers' expectations.

Prompt Customer Support with Tech

EMIL strives to ensure customer satisfaction by providing comprehensive after-sales support. This commitment is reinforced by a dedicated customer support team specific to each store, available seven days a week. With an extensive network of vendors and suppliers and reliable monitoring systems, EMIL guarantees swift product delivery at competitive procurement prices. Furthermore, for brand-specific products sold by EMIL, sales invoices include customer support numbers for all brands, facilitating the efficient resolution of complaints.

Strong Team

The Board and senior management at EMIL come with a proven track record, extensive knowledge of the Indian retail market, and familiarity with regional consumer preferences. The Company's dedicated workforce plays a crucial role in its success, delivering high-quality and efficient services. Furthermore, EMIL is embracing digital transformation to adapt to the evolving business landscape, leveraging technology and analytics to drive a robust business strategy. The omni-channel service that EMIL hopes to deliver will provide customers with a seamless and well-integrated shopping experience.

ESG

Building a Sustainable Future with Our Commitment to ESG

EMIL operates within a natural resource ecosystem, and it plans to take significant steps towards sustainable development and minimising its carbon footprint. By working actively towards reducing greenhouse gas (GHG) emissions, preserving natural resources, and embracing innovative technologies for resource replenishment, EMIL is actively embracing environmental stewardship.

Environment

1,50,014.16 GJ

Total energy consumed from non-renewable sources

6,000+

SKUs with a Focus on Reducing Environmental Impact

Social

500+

People Benefitted

100+

Brands

41

Presence Across Cities

Governance

07

Board Committee

Natural Capital: Environment

Helping the Planet through Environment-Friendly Operations

EMIL is committed to reducing its environmental footprint across all aspects of its operations. To achieve this, the Company establishes and actively pursues short, medium, and long-term targets that drive its sustainability objectives. These targets enable EMIL to enhance its environmental performance, mitigate risks, and make progress towards its overall goal of providing sustainable solutions.

Focus on

Reusing

Recycling

Saving Water

Reducing Food Waste

Fighting Climate Change

Green Energy

EMIL is committed to sustainability through water-saving initiatives, responsible packaging, and using recyclable/reusable shopping bags. Additionally, the Company has started implementing energy-saving measures to reduce its environmental impact. As an overarching goal, EMIL is working towards a greener future through various initiatives.

Human Capital

Nurturing Company Culture and Building Stronger Roots

EMIL recognises that talented and skilled employees are vital for its long-term success. This is why the Company places a continuous emphasis on training and development. EMIL strives to become a preferred employer that can nurture individuals for long-term career growth and create sustainable job opportunities. The Company actively seeks to attract top-notch talent and individuals who possess the ability to adapt and grow in alignment with EMIL's evolving needs. By prioritising its employees, EMIL upholds its commitment to placing customers at the forefront of its operations.

Business Processes and Departments Overseen by EMIL

Business development	Business planning	Location search	Planning and layout	Advertising and promotion
Commercial assessment and planning	Product assortment	Product assortment mix	Display	Procurement and pricing
Inventory management	Supply chain management	Inventory management	Logistics and warehousing	Delivery and installation
Store monitoring	Store-level operations	Invoice/pilferage	Securing/CCTV	Customer service
Financial and operational monitoring	Back-end support	Account support cashflow management	ERP/IT support	Human resource/ workforce training

Building a Culture of Growth and Trust

EMIL is dedicated to cultivating a welcoming and supportive atmosphere that fosters a sense of camaraderie and encouragement. Additionally, the Company actively advocates for gender equality and women's empowerment. EMIL firmly believes that every individual should have the opportunity to unlock their full potential. It is committed to assisting its female team members in accomplishing their professional and personal aspirations.

Recognising each team member's invaluable contributions, EMIL strongly emphasises nurturing diverse perspectives and varied experiences within the organisation. To attract and retain exceptional talent, the Company offers personalised courses, rewards, awards, competitive compensation packages, incentives, and other opportunities that promote career advancement.

Training and Development

EMIL's sales teams are composed of in-house floor managers and section managers who are proficient in their regional language. This enables them to connect with customers effectively. To provide top-notch after-sale support, the Company continuously recruits skilled staff and gives priority to their continuous development. EMIL invests in the growth of its employees through regular training programmes such as T-Pos, Focus, SOP - Internal Audit, SAP, and Yoryo. This helps to enhance their skills, service standards, and overall productivity while fostering loyalty and reducing attrition rates.

2,274

Employees

Building Employee Health and Ensuring Safety

- Provided free Covid-19 pandemic vaccination to all employees in 2022
- Issued free face masks to all employees and placed sanitisers on every floor, cabin, and store level
- Sanitised stores and floors at regular intervals of time to mitigate any risks to employee health
- Placed first aid kits at workplaces
- Conducted mock drills and training sessions to create awareness on fire accidents as a part of implementing safety measures
- Maintained the central CCTV system for monitoring impertinent activities in the organisation

Fostering Diversity and Inclusion (D&I)

EMIL acknowledges the immense power of diversity as one of its core strengths. The Company takes pride in cultivating a work environment that embraces and honours individuals with diverse backgrounds, cultures, and viewpoints. This fosters an atmosphere of innovation and enables EMIL to accomplish remarkable feats. The Company's ultimate objective is to empower its employees by equipping them with the necessary resources and tools for their success.

Social & Relationship Capital

Enabling the Creation of a Better Society by Delivering Solutions

EMIL firmly believes in giving back to the society. While concentrating on long-term economic performance, the Company is also conscious of the value and necessity of societal stewardship.

Building an Impact on the Society

In alignment with its CSR policy, EMIL is committed to directing its endeavours towards targeted initiatives focussed on eliminating hunger, poverty, and malnutrition. Additionally, the Company aims to promote preventive healthcare and actively contribute to the Swachh Bharat Kosh initiative established by the Central Government to enhance sanitation and ensure widespread access to safe drinking water. Furthermore, it strives to advance education, including vocational training, among children, women, the elderly, and individuals from diverse demographic backgrounds.

CSR Focus Areas

- Education
- Healthcare

₹ 22.63 Million

CSR Allocation

EMIL CSR Foundation (ECF)

The community programmes of the Company aim to bring about positive societal change. The Company's CSR policy and initiatives outline the vision, mission, thrust areas, and key requirements. ECF is authorised to undertake the CSR activities of the Company either directly or through EMIL CSR Foundation.

₹ 3.94 Million

Spent for Helping the Poor and Needy People who Require Medical Facility

₹ 1.13 Million

Spent for Providing Educational Facilities for the School

₹ 3.15 Million

Utilised for Construction of Classroom

Building Brand Recall through Customer-Centric Initiatives

Catering to Customers

EMIL's commitment to surpassing customer expectations are reflected in its efforts. The Company always strives to prioritise customer satisfaction and happiness by:

- Swift doorstep delivery to save time and effort
- Extensive product range
- Competitive prices
- Easy EMI options
- Understanding the unique needs of end-users
- Live demos to make the customer shopping experience more immersive
- Exclusive offerings from top brands to guarantee quality and performance
- Engaging shop-n-win events held twice a year

Comprehensive Promotions through Digital Marketing

EMIL strategically invests in digital marketing, utilising innovative techniques to maximise the effectiveness of online advertising by targeting the audience accurately. The Company has leveraged over 2.50 Million impressions across multiple social platforms (Bajaj Electronics, Electronics Mart, Kitchen Stories, IQ, Audio & Beyond & Easy Kitchens), targeting consumers based on geolocation (Telangana, Andhra Pradesh, and Delhi NCR regions).

Channels of Brand Promotion

- Video Marketing
- Website Marketing
- Search Machine Optimisation (SEO)
- Influencer Marketing
- SMS Marketing
- Google Ads
- Google My Business
- Online Events

20K+

Followers on Instagram

60K+

Followers on Facebook

3K+

Subscribers on YouTube

Delivering Enhanced Shopping Experience with Unique Offerings

EMIL is committed to delivering an exceptional shopping experience to its customers. It offers exclusive deal options all year.. Below are some notable initiatives and campaigns from 2022-23.

Think AC, Think Bajaj, a glimpse of the eventful ₹ 50 Lacs cash prize and 40 Alto cars Lucky Draw event held at Nexus Hyderabad
https://www.instagram.com/reel/CnByE_9Jv9I/

India's Biggest Festive Offer; offered ₹ 0.10 Million Cash Prize and 40 Alto cars
https://www.youtube.com/watch?v=OOrQwI6B09Y

₹ 50 Lacs cash prize festive bumper draw held at Electronics Mart
https://www.instagram.com/reel/Ckssu4zhn_W/

Think Laptop, Think Bajaj Electronics! Amazing Deals on Latest Laptops
https://www.youtube.com/watch?v=_7UtL1ok28c

Apple Day, to get the best prices on iPhones and other Apple products
https://www.instagram.com/p/CsG0mibh2ej/

Delhi Launch: Launched eight stores together in Delhi NCR and offered Gold Chain Draw every two hours
https://www.instagram.com/reel/ChRun6lJpVB/?img_index=1

Traditional Marketing

EMIL's engagement with the audience goes beyond digital channels. The Company recognises the value that traditional mediums bring in reaching diverse customers. Here are a few strategic modes that EMIL has employed to enhance its brand presence and expand reach:

- Print Media
- Out-of-Home (OOH) Advertising
- Radio
- Events

Incorporating these traditional marketing avenues into the Company's comprehensive strategy ensures that its brand message resonates with a broader audience. This helps in capturing the attention of both digitally savvy customers and those who prefer traditional media channels.

Delivering Value in the Future: Priorities Ahead

EMIL has charted an ambitious path for 2023-24, with the aim of propelling its brand to unprecedented heights. The Company's primary objective is to enhance brand recognition and emphasise on measurable return on investment (ROI). To accomplish this, EMIL intends to implement a cohesive marketing strategy encompassing a range of digital and offline activities, thereby establishing a robust brand presence. Furthermore, efforts are underway to enhance the Company's search engine optimisation (SEO) to attract increased organic traffic to its website.

EMIL understands the significance of cultural festivals and acknowledges their importance to its customers. The Company has meticulously designed attractive offers and discounts to celebrate these special occasions. Customers are warmly invited to visit EMIL for an unmatched shopping experience. They can explore a vast product range, indulge in exceptional service, and take advantage of the best prices available.

Governance

Enabling the Creation of a Better Society by Delivering Solutions

EMIL firmly believes in giving back to the society. While concentrating on long-term economic performance, the Company is also conscious of the value and necessity of societal stewardship.

Risk Management

The primary goal of EMIL's risk management policy is to ensure that all its current and potential material risk exposures are identified, evaluated, quantified, and monitored. Adopting best practices allows the Company to comply with appropriate regulations wherever applicable. At EMIL, risk is mitigated, minimised, and managed to protect brand value through strategic control and operational policies. To accomplish this important goal, the policy sets a structured and methodical approach to risk management, which in turn helps find the right answers to various risk-related problems.

01 Executive Director

01 Non-Executive Director

The Company's Board comprises both Executive and Non-Executive directors. It operates through several committees, including:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Finance Committee
- Risk Management Committee

Fostering Sustainability through Corporate Policies

EMIL has established a range of corporate policies to foster sustainability. These include the Corporate Social Responsibility Policy, Familiarisation Programme for Independent Directors, Materiality Policy, Policies and Procedures for inquiry in case of leak of UPSI, Policy on Board Diversity, Policy on Dealing with Related Party Transactions, Policy on Prevention of Sexual Harassment at Workplace, Policy on Succession Plan, Preservation of Documents and Archival Policy, Terms and Appointment of Independent Directors, Terms of Reference of Audit Committee, Terms of Reference of Nomination and Remuneration Committee, Terms of Reference of Stakeholders' Relationship Committee, Vigil Mechanism Policy, Policy on the appointment and Remuneration of Directors, KMP and SM, Terms of Reference of Risk management Committee, and Policy on Determination of Materiality of Events. These policies demonstrate EMIL's commitment to sustainable business practices, responsible governance, and employee well-being.

BUILDING TRUST THROUGH LEADERSHIP: MEMBERS OF THE BOARD

Board of Directors

Mr Pavan Kumar Bajaj
Chairman and Managing Director

- 40+ years of experience in retail business management
- Founder of the erstwhile sole proprietorship M/S Bajaj Electronics in 1980

Mr Karan Bajaj
Chief Executive Officer & WTD

- 12+ years of experience in retail business management
- Postgraduate diploma in international management and Bachelor of Commerce degree

Ms Astha Bajaj
Executive Director and WTD

- 5+ years of experience in business management
- Master's degree in biochemistry from Nirma University and Bachelor's degree in science from Gujarat University

Mr Anil Rajendra Nath
Independent Director

- Experienced in banking and finance, previously associated with HSB Bank, HDFC Bank, and State Bank of India in various capacities
- Master's degree in Business Administration and Postgraduate Diploma in Bank Management

Mr Mirza Ghulam Muhammad Baig
Independent Director

- 31+ years of experience in tax administration and served as a Deputy Commissioner, previously associated with the World Bank and Deloitte Touch Tohmatsu India Private Limited
- Master's and Bachelor's degree in Arts

Ms Jyotsna Angara
Independent Director

- 8+ years of experience in the non-profit sector
- Member of the Institute of Directors, India
- Bachelor's degree in Arts from Osmania University

Senior Management Team

Mr Premchand Devarakonda
Chief Financial Officer

- Qualified Chartered Accountant with a Bachelor's degree in Commerce and more than 30 years of experience

Mr Vishal Singh
Head - Marketing

- Bachelor of Commerce and Postgraduate Diploma in Management (Marketing Management)
- Associated with Bennett and Coleman as manager of the response department

Ms Annapurna Devi Kuchibhatla
Chief Technology Officer

- Master's degree in Computer Applications and Bachelor's degree in Science
- Associated with LV Prasad Eye Institute as CTO

Mr Giridhar Rao Chilamkurthi
Vice - President - Sales

- Master's degree in Business Administration and Bachelor's degree in Science
- Associated with Tirumala Music Centre Private Limited

Mr Chaluvadi Chandra Sekhar
Senior Manager - Inventory

- Bachelor's degree in Arts and Master's in Science (I.T.)
- Associated with Innovative Retail Concepts as inventory head

Mr Rajiv Kumar
CS & Compliance Officer

- Qualified Company Secretary, Master's degree in Business Administration, and Bachelor's degree in Commerce
- Associated with GENPACT India and SNJ Synthetics Limited

Mr Virinder Singh Sandhu
Vice President - (North India)

- B.E.(Electronics) from Pune University; MDP (Management development programme) in middle management from IIM Lucknow; currently pursuing MBA from BVP University Pune
- Seven years of experience in working with Panasonic India as Key Accounts Head - East

Mr Nammi Ravi Kiran
General Manager - HR & Administration

- Bachelor's degree in computer applications and Postgraduate Diploma in Business Management (Marketing Management with HR Management)
- Associated with Mahathi Software Private Limited as Human Resource Manager

CORPORATE INFORMATION

Directors

Mr Pavan Kumar Bajaj

Mr Karan Bajaj

Mrs Aastha Bajaj

Mr Anil Rajendra Nath

Mr Mirza Ghulam Muhammad Baig

Mrs Jyotsna Angara

Board's Committees

Audit Committee

Mr Anil Nath, Chairman

Mr Pavan Kumar Bajaj, Member

Mrs Jyotsna Angara, Member

Nomination and Remuneration Committee

Mr Mirza Ghulam Muhammad Baig, Chairman

Mr Anil Nath, Member

Mrs Jyotsna Angara, Member

Stakeholders' Relationship Committee

Mrs Jyotsna Angara, Chairperson

Mrs Astha Bajaj, Member

Mr Karan Bajaj, Member

Corporate Social Responsibility

Mrs Astha Bajaj, Chairperson

Mr Anil Nath, Member

Mr Karan Bajaj, Member

Risk Management Committee

Mr Mirza Ghulam Muhammad Baig, Chairman

Mr Karan Bajaj, Member

Mr Premchand Devarakonda, Member

Finance Committee

Mr Karan Bajaj, Chairman

Mr Mirza Ghulam Muhammad Baig, Member

Mr Premchand Devarakonda, Member

Key Bankers

HDFC Bank Limited

ICICI Bank Limited

Auditors

Statutory Auditor
Walker Chandoik & Co. LLP, Chartered Accountants, Hyderabad

Secretarial Auditor
VSSK & Associates , Company Secretaries, Hyderabad.

Registered Office

6-1-91, Shop No. 10, Ground Floor, Next to Telephone Bhavan, Secretariat Road, Saifabad, Hyderabad-500004, Telangana, India

Corporate Office

6-3-666/A1 to 7, 3rd and 4th Floors, Opp. NIMS Hospital, Punjagutta, Main Road, Hyderabad-500 082, Telangana

Registrar and Transfer Agents

KFin Technologies Limited (formerly known as KFin Technologies Private Limited)

Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India – 500032

Email ID: einward.ris@kfintech.com

Tel: 18003094001

Website Link: https://www.kfintech.com

Wholly-Owned Subsidiaries

EMIL CSR Foundation

Cloudnine Retail Private Limited

Listing of Shares

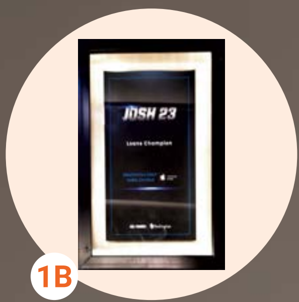
National Stock Exchange of India Limited (NSE)

BSE Limited

DELIVERING VALUE AND ACHIEVING SUCCESS: AWARDS AND ACCOLADES

2022

1. JOSH 23
   - A. AirPods Champion Award
   - B. Loans Champion Award
   - C. Mac Champion Award
2. Certificate of Appreciation for Exemplary Sales Contribution by SAMSUNG
3. Award for Best Electronics Retail Chain by RADIO CITY
4. Award for Best Business Performance Q1-2022 by Club Emperia



2021

1. Certificate of Recognition as Outstanding Mobile Business by SAMSUNG
2. Received Diamond Award by OPPO Premier Club
3. Recognised as India's No 1 Smartphone Brand by MI
4. Honoured as 'Achiever' by Round Table India

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC OVERVIEW

Global Economy

The year 2022 began with cautious optimism as the lingering effects of the Covid-19 pandemic continued to subside. However, the global economy still had to struggle with several headwinds in the form of increasing inflation, geopolitical tensions, Russia-Ukraine conflict and a tightening monetary policy. To control the inflationary pressure, central banks of various countries increased the interest rate, which impacted the bond market. Major international banks faced the heat from the tightened monetary policy, as it placed them on a shaky ground, further deteriorating their performance, including the collapse of Silicon Valley Bank. Moreover, the anticipated growth rate has also contracted from 3.4% in 2022 to 2.8% in 2023 because of these events.

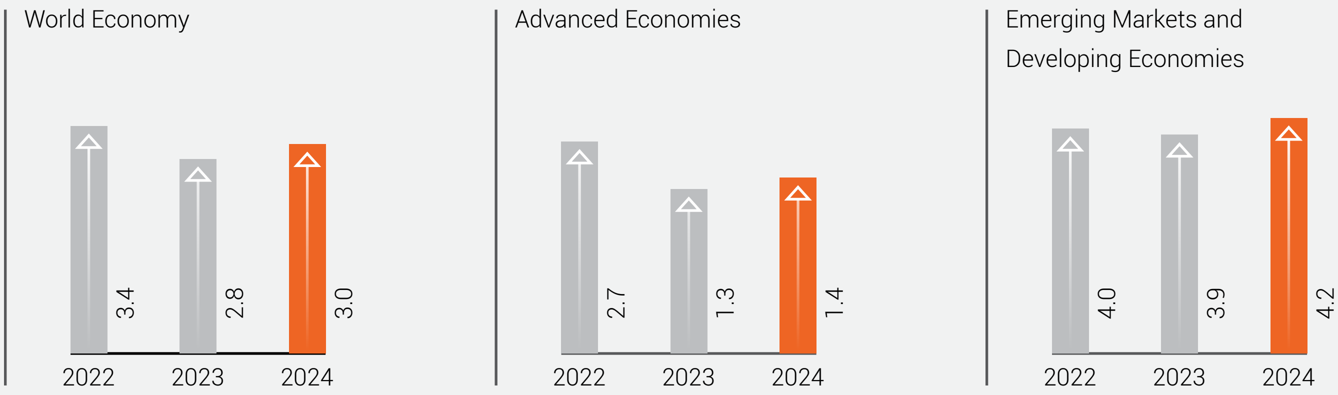
Central banks of a host of countries have launched a robust fight against rising inflation. The fight is starting to pay off, but central banks must continue their efforts. As a result of a weaker global demand and the implementation of tighter monetary policies, global inflation is anticipated to decrease from an average of 8.7% in 2022 to 7.0% in 2023. Despite efforts to control inflation, core inflation rates persistently

remain high in most regions. The combination of supply chain bottlenecks, generous Government spending, tight labour markets and a commodity shock – triggered by the Russian invasion of Ukraine – have together contributed to this trend. The persistent volatility around high inflation, rising recession risks and monetary policy uncertainty has led to significant fluctuations in financial markets. However, both inflation and core inflation are showing signs of improvement as a result of concerted efforts.

Outlook

Despite challenges faced, the world economy is projected to grow at 3.0% in 2024. Advanced economies is anticipated to grow from 1.3% in 2023 to 1.4% in 2024. Conversely, emerging market and developing economies are projected to have more promising economic prospects, with an average growth rate predicted at 3.9% in 2023 and an anticipated increase to 4.2% in 2024. In order to balance the goals of boosting economic output and controlling inflation, macroeconomic policies to be thoughtfully calibrated. Effective coordination between monetary and fiscal policies is projected to mitigate the potential of an extended and severe economic downturn. It is in the best interest of all the countries to engage in stronger international collaboration to mobilise resources and avoid further disruptions.

Global Economy Growth Projection (in %)



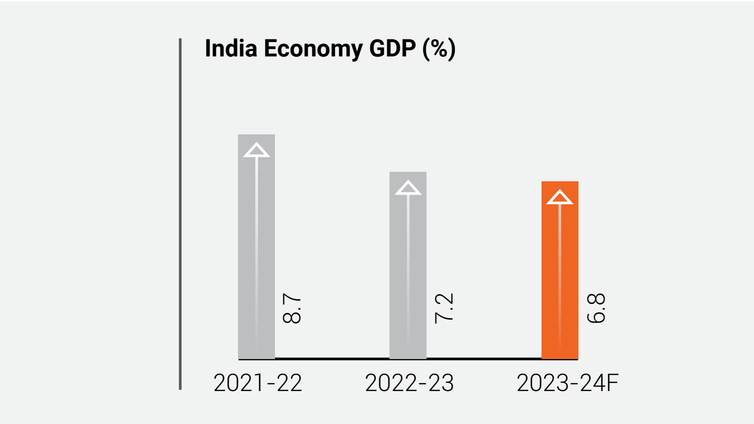
(Source: https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023)

Indian Economy

The year 2022-23 witnessed India maintaining a steady trajectory of economic recovery, continued from 2021-22. The resilience of Indian economy owes it to a host of factors, including the widespread administration of the Covid-19 pandemic vaccinations. Moreover, an optimistic business environment and robust industrial output have provided strong momentum for the growth of India's economy. The manufacturing Purchasing Managers' Index (PMI), compiled by S&P Global rose to 57.8 in December 2022 from 55.7 in November 2022. The PMI average for the third quarter of the fiscal stood at 56.3. The fourth quarter PMI averaged to 58.7 rising to a 31 month high. Several indicators including total GST collections, digital transaction volume, electricity demand, rail & air passenger and freight traffic, petroleum product consumption, and coal production have pointed towards a positive recovery trajectory. Private consumption has rebounded, and overtaken export stimuli as the primary growth driver. This increase in private consumption has further augmented production activity, resulting in higher capacity utilisation across various sectors.

These combined factors have resulted in growth in GDP to 7.2% in FY 2022-23, positioning India as one of the fastest growing economies globally. The country is well-placed to weather global spillovers compared to other emerging markets.

India's economy is well-positioned to weather global spillovers compared to other emerging markets. This is partly due to the country's sizeable domestic market and a steady increase in the capital expenditure of the Government. This has also contributed to an increase in employment. The 'Mahatma Gandhi National Rural Employment Guarantee Scheme' (MGNREGS) has been instrumental in generating employment opportunities directly in rural areas, while also creating avenues for rural households to diversify their income streams. Despite food scarcity across the globe, initiatives such as 'PM-Kisan' and 'PM Garib Kalyan Yojana' have played a crucial role in ensuring food security in the country and helping the Indian economy to remain immune to these challenges.



Outlook

The outlook for India continues to remain bright, with an investment boom sparking sharp increases in factory output, bank lending and consumer purchases. Moreover, this economic expansion is anticipated to boost business confidence and serve as a catalyst for increased private-sector investment. The resultant optimism and enthusiasm among investors are further set to fuel the growth of the Indian economy.

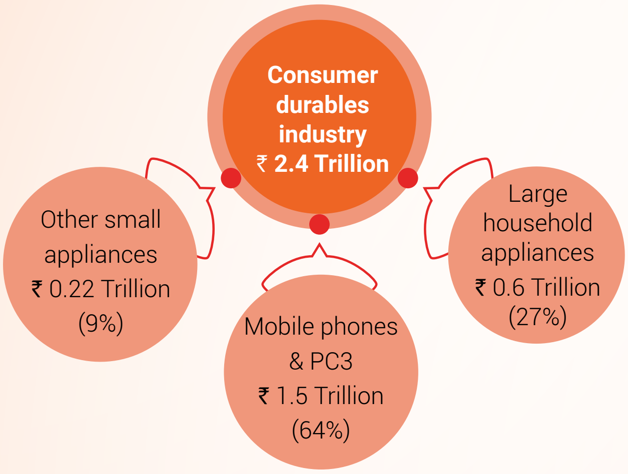
INDIAN CONSUMER DURABLE INDUSTRY

In India, there is a rising demand for various consumer durable goods due to increasing disposable income and technological advancements. As a result, there is intense competition among the numerous consumer durable brands, present in the country. Multinational organisations recognise the immense potential for growth and development in India and therefore view it as a critical market to prioritise.

As per a report by CRISIL Research, the consumer durables industry was valued at ₹ 2.4 Trillion in 2021. Out of this, mobile phones & PCs accounted for the largest share, to the tune of ₹ 1.5 Trillion, whereas large household appliances and other small appliances comprising the rest of the share. This indicates that India is a promising destination for short-term to medium-term expansion of consumer electronics expenditure worldwide. Consumer electronics market in India has attracted several significant investments in the form of FDI inflows and merger & acquisition by major players in the international market.

The approval of the 'Electronic Development Fund Policy' under the 'Make in India' initiative aims to streamline a convoluted duty structure. Alongside this, the 'Modified Special Incentive Package Scheme (M-SIPS)' has been implemented to offer a subsidy of approximately 15% to 20% for CAPEX. This will encourage increased investment by consumer electronics manufacturers in production, distribution and research & development activities in the coming years. Furthermore, 'Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS 2022)', initiated by the Government of India, aims to strengthen the manufacturing ecosystem for electronic components and semiconductors in the country.

Market Segmentation of Consumer Durable Appliances in India (fiscal 2021)



(Source: https://www.sebi.gov.in/sebi_data/attachdocs/sep-2021/1632314222729.pdf)

Major Growth Drivers

Rising Disposable Income

With the growing middle-class and rising disposable incomes, consumers are willing to spend more on electronic goods, including smartphones, laptops and home appliances.

Increasing Penetration of the Internet

The increasing penetration of the internet in India has led to a surge in online shopping, making it easier for consumers to purchase electronic goods from the comfort of their homes.

Government Policies

The Indian Government has implemented various policies to promote electronics manufacturing and increase foreign investment in the sector, which has led to a surge in demand for electronic goods in the country.

Technological Advancements

Rapid advancements in technology have led to the launch of new and innovative electronic products, such as smart home devices, wearables and virtual reality headsets, which have contributed to the growth of the electronics retail industry.

Urbanisation

The increasing urbanisation of India has led to a rise in demand for electronic goods as consumers in urban areas tend to have higher disposable incomes and a greater willingness to adopt new technologies.

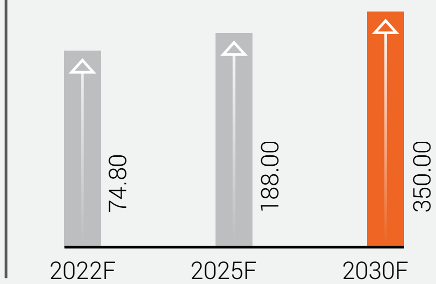
Competitive Pricing

With the growing middle-class and rising disposable incomes, consumers are willing to spend more on electronic goods, including smartphones, laptops and home appliances.

Growing E-Commerce Industry

The growth of the e-commerce industry in India has led to a surge in demand for electronic goods as consumers can purchase them easily through online platforms.

Gross Value Added By E-Commerce Sectors (US$ Billion)



F : Forecast

(Source: https://www.ibef.org/uploads/industry/Infrographics/large/e-commerce-infographic-february-2023.pdf)

COMPANY OVERVIEW

Electronics Mart India Limited (referred to as 'EMIL' or 'the Company') is the fourth-largest retailer of consumer durables and electronics in India with a rich history. The origin of the Company dates back to 1980 when it was established as a sole proprietorship under the name 'M/s Bajaj Electronics' in Hyderabad. In 2011, the Company underwent a transformation and became a partnership firm, still operating under the same name as per the partnership deed dated 25th March 2011. In 2018, Bajaj Electronics became a public limited Company under the name Electronics Mart India Limited.

EMIL established its inaugural consumer durable and electronics retail store in Hyderabad. In 2020-21, EMIL emerged as the leading revenue-generating player in South India, with a particular stronghold in Telangana and Andhra Pradesh. As of 31st March 2023, it operates 127 retail stores in total, spanning 15 cities in Andhra Pradesh, 21 cities in Telangana and 3 cities in the Delhi NCR region. The Company has been consistently expanding its retail business area, with an increase from 0.76 Million square feet in 2019-20 to 1.23 Million square feet as of 31st March 2023. The Company conducts its business operations through three channels including, retail, wholesale and e-commerce. Retail contributes 98% to the revenues, while wholesale and e-commerce channels each contribute ~1% to the total revenue.

The Company focusses on providing best-in-class technology for every household in the country and delivering wide range of durable products at affordable prices. It offers an extensive selection of products, comprising over 6,000 Stock-Keeping Units (SKUs) from more than 70 well-known consumer durable and electronic brands. EMIL's products cover a wide range of categories, including large appliances, small appliances, mobiles, and IT, among others. As of 31st March 2023, the Company had a retail presence in 40 cities or urban agglomerates, operating 127 stores with a total retail business area of 1.23 Million square feet. Of these stores, 114 were Multi-Brand Outlets (MBOs), and the remaining 13 were Exclusive Brand Outlets (EBOs).

Key Strategies

Expanding and Deepening Reach in Existing and Select Geographies

EMIL's expansion strategy centres on strengthening its store network in established clusters, while selectively venturing into new markets to achieve long-term growth. The Company aims to add 42 stores over the next two years, with a focus on Tier-I and Tier-II cities. Of these, 13 stores will be established in the Delhi NCR region, while 29 will be set up in the southern region of the country, specifically 21 in Andhra Pradesh and 8 in Telangana. By pursuing this approach, EMIL seeks to bolster its presence in key regions and capitalise on the available and emerging growth opportunities.

Leveraging Consumer Finance and Enhancing Purchasing Ability of Customers

EMIL recognises the benefits of consumer financing, as it allows it to increase the average selling price without significantly impacting volumes. To streamline the financing process, EMIL has invested in integrating its systems with financing companies to reduce payment realisation time. The Company offers consumer financing options through credit and debit card EMIs as well as through select fintech companies. By providing these options, the Company aims to make its products more accessible and affordable to a broader range of customers.

Enhancing Sales Volume by Offering Diversified Product Portfolio

EMIL aims to broaden its product portfolio to enhance the shopping experience for its customers and establish itself as a comprehensive one-stop-shop for consumer durables. By offering a wider range of products, EMIL strives to enrich its customers with increased shopping options. The Company has many long-standing relationships with reputable brands. It plans to leverage these relationships to introduce new products launched by these brands.

Investing in Technology, Optimising Working Capital, Reducing Operational Costs

EMIL prioritises maintaining optimal operational efficiency. To achieve the same, the Company steadfastly focusses on planning, sourcing, vendor management, logistics, quality control, pilferage control, replacement, and replenishment. Moreover, the Company aims to enhance its operational efficiency and supply chain management. To this effect, it seeks to invest substantially in upgrading and acquiring technological systems to improve productivity. EMIL plans to expand and upgrade its warehouses to improve the efficiency of inventory and supply chain management. These measures are set to enable the Company to streamline its operations, optimise costs and ensure timely delivery of products to its customers.

Opportunities

Geographical Expansion

The Company has a strategic vision to adopt a peripheral and concentric expansion approach, which entails targeting adjacent states to unlock new opportunities. By expanding its footprint in existing cities through the establishment of more stores, the Company aims to tap into new catchment areas within these cities and optimise its infrastructure. In line with its customer-centric approach, the Company continues to prioritise the modernisation of its stores. Further, it looks to enhance its infrastructure to provide a comprehensive display of products that caters to a diverse range of brands and price points.

Sponsored Events and Sales Promotion

The Company offers promotional opportunities to enhance brand recognition and generate media coverage at a reasonable cost. This enables the Company to reach out to its target customers more effectively. As part of its marketing strategy, EMIL organises a special contest called 'India's Biggest Festive Offer' during the festive season, such as Dussehra or Diwali. This contest is aimed at offering its customers the chance to win cash prizes of up to 10 Million as well as small passenger cars.

Expansion into E-Commerce

EMIL has diversified its business operations by entering the rapidly growing e-commerce industry. This expansion was made possible through its official website, which serves as a comprehensive online catalogue of the wide range of products that the Company retails in its physical stores. Moreover, the Company has entered into collaborations with leading domestic and international e-commerce players to expand its reach and tap into new business opportunities. This strategic move has enabled EMIL to expand its business beyond traditional brick-and-mortar retail stores and into the fast-growing digital retail market.

Threats

Technological Changes

The electronics industry is constantly evolving, and EMIL must keep up with the latest technologies and trends to stay relevant. Failure to do so can result in a loss of market share to more innovative companies. The advent of new products and constant innovation can help the Company to stay competitive and drive its growth.

Competition

Over the past few years, the Indian electronics retail industry has experienced a surge in competitiveness. This surge is expected to cause a reduction in the catchment area of EMIL's stores. Moreover, the growing number of options available to customers has increased their bargaining power. Hence, store operators are adopting aggressive discounting practices that may have a negative impact on gross margins.

FINANCIAL PERFORMANCE

Profit and Loss Statement (in ₹ Million)

PARTICULARS ON STANDALONE BASIS	2022-23	2021-22
Revenue from Operations	**54,457.10**	**43,493.16**
Growth (%)	25.21	35.65
Cost of Goods Sold	47,050.24	37,553.87
Gross Margins (%)	13.60	13.66
Employee Expenses	940.45	788.03
% to Revenue from Operations	1.73	1.81
Other Expenses	3,105.58	2,231.73
% to Revenue from Operations	5.70	5.13
Total Operating Expenditure	51,096.27	40,573.63
EBITDA	**3,360.83**	**2,919.53**
EBITDA Margin (%)	6.17	6.71
Finance Cost	985.41	846.14
Depreciation	853.79	713.21
Other Income	110.42	37.51
PBT	1,632.05	1,397.69
Total Tax	403.92	358.67
PROFIT AFTER TAX	**1,228.13**	**1,039.02**

YEAR ENDING MARCH	2022-23	2021-22	% CHANGE
Per Share Data (₹)			
Basic EPS	3.63	3.46	4.91
Face Value	10	10	-
Cash Per Share	5.22	1.15	359.91
PROFITABILITY RATIOS (%)			
EBITDA Margins	6.17	6.71	(8.05)
PBT Margins	2.98	3.00	(7.17)
PAT Margins	2.25	2.39	(5.86)
TURNOVER (Days)			
Inventory Days	60	60	-
Debtor Days	9	9	-
Creditor Days	0	2	-
Return Ratios (%)			
ROE	13.79	19.09	(27.76)
ROCE	14.86	18.87	(21.26)

YEAR ENDING MARCH	2022-23	2021-22	% CHANGE
Valuation Ratios (X)			
P/E	18.25	N.A.	N.A
EV/EBITDA	9.17	N.A	N.A
EV/Revenue from Operations	0.57	N.A	N.A
Market Cap/Revenues	0.47	N.A.	N.A
Price to Book Value	6.63	N.A.	N.A.
SOLVENCY RATIOS			
Debt/Equity	0.61	1.00	(38.33)
Debt/EBITDA	2.16	2.03	6.40
Current Ratio	1.90	1.46	30.38
Quick Ratio	0.86	0.52	65.38

HUMAN RESOURCES

EMIL's approach to talent planning and management is guided by a comprehensive strategy that considers both its long-term and short-term goals. As part of the talent strategy, decisions regarding whether to build or acquire talent for leadership and critical roles are made. Key talent is matched with strategic roles, and internal talent movement and development plans are determined accordingly. Additionally, organisational training needs are identified, with the Company conducting technical, functional and culture-building programmes to address them. In order to establish a strong frontline workforce, the Company's HR department recruits fresh talent through various sources. The Company focusses on developing a competent and enthusiastic workforce through its human resource policies. EMIL places a strong emphasis on identifying talent and potential in its employees and motivates them to take on more responsibility. The Company evaluates employees' performance, and offers in-house promotions as a reward for their hard work instead of hiring externally. EMIL showroom employees and senior executives also receive performance-based incentives, in addition to their regular salaries. As of 31st March 2023, the number of employees on the payroll of the Company stood at 2,271 (excluding three Executive Directors).

RISKS AND CONCERNS

EMIL has implemented a risk management policy with several key objectives. The idea is to ensure that all current and future material risk exposures are identified, assessed, quantified, mitigated, minimised, and managed. This is done to protect the brand value of the Company through strategic control and operational policies. In addition, the Company steadfastly seeks to comply with appropriate regulations wherever applicable by adopting best-in-class practices. To achieve these objectives, the policy establishes a structured and disciplined approach to risk management. This approach helps in arriving at correct solutions for various risk-related issues.

RISK	IMPACT	MITIGATION
Insurance Risk	EMIL faces potential risks associated with the storage and handling of its products. These risks include fires, earthquakes, floods and other unpredictable events. Moreover, occurrences like acts of terrorism and explosions may result in loss of life and extensive property and inventory damage.	To mitigate such risks, the Company has adopted industry-standard insurance policies, including burglary insurance as well as standard fire and special perils coverage for its warehouses and stores.
Competition Risk	EMIL faces competition from a diverse range of players, including those operating in the retail, wholesale and e-commerce sectors. The Company competes against a range of national and local large format stores, independent retail stores as well as e-commerce businesses that offer similar merchandise.	To mitigate this risk, the Company focusses on putting in efforts to build relations with reputed brands and propositions that will provide access to high-value products and create a connect between its customers and its brand identity.
Reputational Risk	The continued maintenance and improvement of EMIL's brand recognition and reputation are crucial to its future success. Failure to do so may impede the ability to maintain and expand its consumer base, leading to negative impacts on business operations, financial condition, cash flows, and results of operations.	To mitigate this risk, the Company leverages its strong corporate culture and is involved in continuous monitoring and improving the processes in vogue.
Supply Chain Risk	In the event of a delay or failure on the part of EMIL's suppliers to deliver products in a timely manner or any decline in the quality of products supplied, its business, profitability, and reputation may be materially and adversely affected.	To mitigate this risk, the Company focusses on implementing systems and processes to provide stability into supply chain, including inventory levels, lead times, and delivery schedules. It also avoids relying on a single supplier or region and diversifies its supplier base to minimise the impact of supply chain disruptions.

INTERNAL CONTROL SYSTEM

EMIL has established a comprehensive Internal Financial Control (IFC) framework as required under Section 134(5) of the Companies Act, 2013. This framework is commensurate with the Company's nature and complexity of business operations. The framework is well-documented, covering all financial and operating functions, and is designed in accordance with the Companies Act, 2013 and the Guidance Note issued by The Institute of Chartered Accountants of India. Its primary objective is to ensure the proper maintenance of accounting records, reliable financial reporting, and compliance with applicable laws and regulations.

The Company has a robust system for internal audit, risk assessment, and mitigation. An independent Internal Audit function, handled by an independent firm of Chartered Accountants, having more than three decades of experience. This function reports to the Board Audit Committee, providing an external perspective, industry best practices and benchmarks. The Internal Audit function carries out an annual internal plan, approved by the Board Audit Committee. The scope and coverage of audits include reviewing and reporting on key process risks, adherence to operating guidelines and statutory compliances. It also includes recommending improvements for monitoring and enhancing the efficiency of operations. Periodically, significant internal audit findings and agreed-upon action plans are presented to the Audit Committee/Board. The Committee monitors the progress of implementation of these actions, along with the adequacy and reliability of financial reporting, internal control and risk management frameworks.

During the year, the operating effectiveness of internal controls was tested as part of the Management's control testing programme. Based on the testing carried out and evaluation of the results, the Board, with the concurrence of the Audit Committee, concluded that the Company's Internal Financial Controls were adequate and operating effectively as of 31st March 2023.

CAUTIONARY STATEMENT

This report contains statements that may include forward-looking remarks within the meaning of applicable Securities Law and Regulations. It is important to note that numerous factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements. Significant factors that could impact the Company's operations include changes in domestic and international economic conditions, alterations in Government regulations, changes to the tax regime and modifications to other statutes.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 01st Integrated Annual Report and 05th Annual Accounts on the Company's business, operations, and financial performance along with the Audited Financial Statements for the year ended 31st March 2023.

1. FINANCIAL INFORMATION

The Company's financial performance for the period ended 31st March 2023 is summarized below:

(₹ in Million)

Particulars	Consolidated Result		Standalone Result	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	54,457.10	43,493.16	54,457.10	43,493.16
Other Income	110.45	37.55	110.42	37.51
Profit before Depreciation, Finance Costs, Exceptional items, and Tax Expenses	3,471.12	2,956.93	3,471.25	2,957.04
Less: Depreciation/ Amortisation/ Impairment	853.79	713.21	853.79	713.21
Profit before Finance Costs, Exceptional items, and Tax Expenses	2,617.33	2,243.72	2,617.46	2,243.83
Less: Finance Costs	985.41	846.14	985.41	846.14
Profit before Exceptional items and Tax Expenses	1,631.92	1,397.58	1,632.05	1,397.69
Add/(less): Exceptional items	-	-	-	-
Profit before Tax Expenses	1,631.92	1,397.58	1,632.05	1,397.69
Less: Tax Expense (Current & Deferred)	403.92	358.67	403.92	358.67
Profit for the year	1,228.00	1,038.91	1,228.13	1,039.02
Total Comprehensive Income	1,231.97	1,045.93	1,232.10	1,046.04

Note:

1. No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year and the date of this report.
2. Further, the nature of business of your Company has remained the same.

Consolidated Financial Statements:

The Audited Consolidated Financial Statements of your Company as of 31st March 2023, prepared per the relevant applicable Ind AS and Regulation 33 of the SEBI Listing Regulations and provisions of the Act, form part of this Annual Report.

- Consolidated Total Comprehensive Income increased to ₹ 1,231.97 Million in 2022-23 from ₹ 1,045.93 Million in 2021-22.
- Consolidated PBT increased to ₹ 1,631.92 Million in 2022-23 from ₹ 1,397.58 Million in 2021-22.
- Consolidated PAT increased to ₹ 1,228.00 Million in 2022-23 from ₹ 1,038.91 Million in 2021-22.

Standalone Financial Results:

On a standalone basis, your Company had:

- Standalone Total Comprehensive Income increased to ₹ 1,232.10 Million in 2022-23 from ₹ 1,046.04 Million in 2021-22.
- Standalone PBT increased to ₹ 1,632.05 Million in 2022-23 from ₹ 1,397.69 Million in 2021-22.
- Standalone PAT increased to ₹ 1,228.13 Million in 2022-23 from ₹ 1,039.02 Million in 2021-22.

Your Company's operational performance has been comprehensively discussed in the Management Discussion and Analysis Report, which forms part of this Report.

2. DIVIDEND

With a view to conserving resources for the expansion of business, your Directors have thought it prudent not to recommend any dividend for the financial year under review.

The Dividend Distribution Policy, in terms of Regulation 43A of the SEBI Listing Regulations, is available on the Company's website, www.electronicsmartindia.com.

3. CREDIT RATING

India Ratings and Research, a credit rating agency, has affirmed your Company's Long-Term Issuer Rating at 'IND A-'. The Outlook is Stable.

The instrument-wise rating actions are as follows:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (Million)	Rating	Rating Action
Fund-based working capital limits	-	-	-	₹ 4,500 (reduced from ₹ 5,000)	IND A-/Stable/ IND A2+	Affirmed
Term loans	-	-	2035-36	₹ 500	IND A-/Stable	Affirmed

4. CHANGES IN PAID-UP SHARE CAPITAL

There was no change in the Company's Authorised Share Capital during the 2022-23. During the year, 84,745,762 Equity Shares of ₹ 10 each at a premium of ₹ 49 per Equity Share were allotted to various applicants as a part of the Initial Public Offering process. The paid-up share capital as on 31st March 2023 was ₹ 3,847,487,620.

5. TRANSFER TO RESERVES

There is no amount proposed to be transferred to the Reserves. The closing balance of Standalone and Consolidated retained earnings of your Company for 2022-23, after appropriations and adjustments, were ₹ 4,188.32 Million and ₹ 4,187.78 Million, respectively.

6. INITIAL PUBLIC OFFERING (IPO) OF EQUITY SHARES

During the 2022-23, your Company allotted 84,745,762 equity shares of ₹ 10 each at a premium of ₹ 49 to various applicants as a part of its initial public offering process. The issue was open for subscription from Tuesday, 04th October 2022, to Friday, 07th October 2022. The Audit Committee reviews the utilisation of proceeds periodically.

7. SUBSIDIARIES/ ASSOCIATES OR JOINT VENTURES AND LLPS ETC.

During the year under review, the Company has two subsidiaries. As required under the provisions of Section 129 of the Companies Act, 2013, read with Companies (Accounts) Rule, 2013, a statement containing salient features of the financial statements of the subsidiaries is provided in the prescribed format AOC-1 as **Annexure - 1** of the Board Report.

In accordance with Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations), Cloudnine Retail Private Limited and EMIL CSR Foundation are non-material, unlisted subsidiaries. The Company has formulated a policy for determining material subsidiaries. The policy is available on the website of the Company at www.electronicsmartindia.com.

8. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS

Details of Loans, Guarantees, and Investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the Financial Statements.

9. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a section forming part of this Annual Report.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As of 31st March 2023, your Company's Board of Directors ("Board") had six members comprising three Executive Directors and three Non-Executive Independent Directors. The Board has one Women Independent Director. The details of Board and Committees composition, tenure of Directors, areas of expertise, and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

Changes in Director:

Mrs Suman Kumar (DIN:00580302) resigned from the Board effective 06th May 2022 due to personal reasons. The same was accepted, and the Board recorded its deep appreciation and profound gratitude for the invaluable services rendered by Mrs Suman Kumar to the Company from its inception.

Mrs Jyotsna Angara (DIN:07224004) was appointed as an Independent Director for a term of 5 years with effect from 14th May 2022.

Re-appointment of Directors

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, Mrs Astha Bajaj (DIN: 07899784) is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers herself for re-appointment.

Continuation of Directorships

Mr Mirza Ghulam Muhammad Baig was appointed as an Independent Director of the Company for a term of 5 years at the Adjourned Second EGM held on 10th December 2018, and he holds office as an Independent Director of the

Company up to 02nd December 2023 ("Current Term"). In compliance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the Members is hereby sought for the continuation of office by Mr Baig as an Independent Director of the Company. The notice convening the AGM includes the proposals for continuing directorships held by Mr Baig as an Independent director of the Company.

Declaration from Independent Directors

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director.

11. COMMITTEES OF BOARD

Details of various committees constituted by the Board, including the committees mandated pursuant to the applicable provisions of the Act and SEBI Listing Regulations, are given in the Corporate Governance Report, which forms part of this Annual Report.

12. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 07 times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

13. INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on 04th July 2022 without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees, and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity, and timeliness of the flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

14. BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance and that of its committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning, such as the composition of the Board and committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues, etc. At the Board meeting that followed the abovementioned meeting of the Independent Directors, the performance of the Board, its committees, and individual directors was also discussed. The entire Board did a performance evaluation of independent directors, excluding the independent director being evaluated.

15. POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION

Your Company's policy on Directors' appointment and remuneration and other matters ("Nomination and Remuneration Policy") pursuant to Section 178(3) of the Act is available on the website of your Company at https://www.electronicsmartindia.com. The Remuneration Policy for the selection of Directors and determining Directors' independence sets out the guiding principles for the Nomination and Remuneration Committee for identifying the persons who are qualified to become Directors. Your Company's Remuneration Policy is directed towards rewarding performance based on the review of achievements. The Remuneration Policy is in consonance with existing industry practice. We affirm that the remuneration paid to the Directors as per the Company's Remuneration Policy terms.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby state and confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the directors 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 and loss of the Company for the year under review;

c) 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;

d) the directors have prepared the annual accounts on a going concern basis.

e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. INTERNAL FINANCIAL CONTROLS SYSTEM AND THEIR ADEQUACY

The details regarding the internal financial controls system and their adequacy are included in the Management Discussion and Analysis, which forms part of this Annual Report.

18. RISK MANAGEMENT

The Board has formed a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan for the Company. The RMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis.

19. BOARD POLICIES

The Corporate Governance report details various policies approved and adopted by the Board as required under the Act, SEBI Listing Regulations, and policies are available on your Company's website at https://www.electronicsmartindia.com.

20. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The brief details of the CSR Committee are provided, which form part of this Annual Report. The CSR policy is available on the website of your Company at https://www.electronicsmartindia.com. The Annual Report on CSR activities is annexed to this report. The disclosure per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rule, 2014, is attached as **Annexure-2**.

Further, the Chief Financial Officer of your Company has certified that the CSR spending of your Company for the 2022-23 has been utilised for the purpose and in the manner approved by the Company's Board of Directors.

21. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report, as stipulated by SEBI Listing Regulations, forms part of this Board's Report and is given in **Annexure – 3**, along with the required certificate from a Practicing Company Secretary, regarding compliance with the conditions of Corporate Governance, as stipulated. In compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of your Company ("Code of Conduct") who have affirmed the compliance thereto. The Code of Conduct is available on your Company's website at https://www.electronicsmartindia.com.

22. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In accordance with the Listing Regulations, the Business Responsibility & Sustainability Report is annexed as **Annexure - 4**.

23. STATUTORY AUDITORS & AUDITORS' REPORT

Walker Chandiok & Co. LLP, Chartered Accountants (Firm's Registration Number 001076N / N500013), was appointed as Statutory Auditors of your Company at the Adjourned First Annual General Meeting held on 07th December 2019 for a term of five consecutive years and continue to hold the office for five years as originally appointed.

Walker Chandiok & Co. LLP, Chartered Accountants, have also given their confirmation regarding compliance with conditions prescribed under Sections 139 and 141 of the Act in regard to the continuation of their term. The Statutory Auditors' report and notes to Schedules are enclosed.

Explanation of the qualification in the Auditors' Report:

The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers.

24. CONSOLIDATED FEES PAID TO STATUTORY AUDITORS

Detail of total fees for all services paid by the listed entity 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, as mentioned in Note 26 of Consolidated Financial Statement published through annual reports for the 2022-23, are as below:

₹ in Million

Payments to the auditor	2022-23	2021-22
As auditor	5.05	3.65
For other services	0.10	-
Out-of-pocket expenses	0.12	-
Total	**5.27**	**3.65**

25. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act, read with the rules made thereunder, the Board has appointed M/s VSSK & Associates, Company Secretaries, to undertake the Secretarial Audit of your Company for 2022-23. The Secretarial Audit Report for the year under review is provided as **Annexure - 5** of this report. There are no qualifications, reservations, adverse remarks, or disclaimers in the Secretarial Audit Report.

26. SECRETARIAL STANDARDS

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

27. REPORTING OF FRAUDS BY AUDITORS

The Statutory Auditors and Secretarial Auditor have not reported any instances of fraud committed against your Company by its officers or employees to the Audit Committee or the Board under section 143(12) of the Act.

28. ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, the annual return as of 31st March 2023 prepared in accordance with Section 92(3) of the Act is made available on the website of your Company at https://www.electronicsmartindia.com.

29. TRANSACTIONS WITH RELATED PARTY

All transactions with related parties are placed before the Audit Committee for approval.

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered any transactions with related parties that could be considered material in Section 188 of the Act.

Accordingly, the disclosure of related party transactions, as required under Section 134(3)(h) of the Act, in Form AOC – 2, is not applicable. The Policy on Related Party Transactions is available on your Company's website at https://www.electronicsmartindia.com.

30. GENERAL DISCLOSURES

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

1. Issue of equity shares with differential rights as to dividend, voting, or otherwise.
2. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any scheme.
3. Significant or material orders passed by the Regulators or Courts or Tribunals that impact the going concern status and your Company's operation in the future.
4. Voting rights that are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3) (c) of the Act).
5. The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014.
6. No Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
7. No amounts were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
8. No One-time settlement of loans obtained from the Banks or Financial Institutions.

31. ADDITIONAL DISCLOSURES UNDER LISTING REGULATIONS

Statement of deviation or variation.

Your Company utilised an amount of ₹ 550 Million earmarked for the repayment of certain borrowings availed by the Company and ₹ 816.59 Million towards General Corporate Purposes. Also, the Company utilised ₹ 1,000 Million earmarked to fund incremental working capital requirements for 2022-23.

The Company was supposed to utilise ₹ 234.55 Million to fund capital expenditure to expand and open stores and warehouse in 2022-23. However, your Company utilised ₹ 149.18 Million in 2022-23. The unutilised amount of ₹ 85.37 Million will be utilised in 2023-24 and 2024-25 in accordance with the objects set out in the 'objects of the issue' section of the prospectus dated 10th October 2022.

Post inclusion of the unutilised amounts from 2022-23 proposed to be deployed across 2023-24 and 2024-25.

To vary the objects of the Initial Public Offer. Your Company obtained prior approval of the Company's members by way of a special resolution dated 27th April 2023 by postal ballot procedure (e-voting).

32. INSURANCE

Your Company has taken appropriate insurance for assets against foreseeable perils.

33. PARTICULAR OF EMPLOYEES

The information as required under Section 197 of the Companies Act 2013, read with Rules 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure - 6** to the Board's Report.

34. PREVENTION OF SEXUAL HARASSMENT AT THE WORKPLACE

The Company has in place an Anti-Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition, and Redressal) Act 2013. The Internal system has been set up to redress complaints received regarding sexual harassment.

During the year under review, your Company has received three complaints pertaining to sexual Harassment, which has been resolved.

35. VIGIL MECHANISM

The Company has established a vigil mechanism through a Whistle Blower Policy. The Company can oversee the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against the victimization of employees and Directors who may express their concerns pursuant to this policy. The policy is uploaded on the website of the Company at https://www.electronicsmartindia.com.

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

The information on conservation of energy, technology absorption, and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, as amended, is provided as **Annexure - 7** of this report.

ACKNOWLEDGMENT

The Board of Directors wish to place on record their thanks for the committed services by all the employees of the Company. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, stock exchanges, customers, vendors, and members during the year under review.

For and on behalf of the Board
Pavan Kumar Bajaj
Chairman and Managing Director
DIN: 07899635

Date: 26th July 2023
Place: Hyderabad

Electronics Mart India Limited

ANNEXURE 1

FORM AOC-1

(Pursuant to the first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

A statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary presented with amounts in ₹ in Million)

Sl. No.	Particulars	Details	
1.	Name of the subsidiary	Cloudnine Retail Private Limited	EMIL CSR FOUNDATION
2.	The date since when the subsidiary was acquired	29th August 2019	25th February 2021
3.	Financial year ending on	31st March 2023	31st March 2023
4.	Share capital	1.00	0.10
5.	Reserves & surplus	(0.54)	23.44
6.	Total assets	0.76	23.54
7.	Total Liabilities	0.30	NIL
8.	Investments	NIL	NIL
9.	Turnover	NIL	26.26
10.	Profit before taxation	(0.13)	23.44
11.	Provision for taxation	NIL	NIL
12.	Profit after taxation	(0.13)	23.44
13.	Proposed Dividend	NIL	NIL
14.	% of shareholding	100%	100%

Notes: The following information shall be furnished at the end of the statement:

Names of subsidiaries that are yet to commence operations –

1. Cloudnine Retail Private Limited

ANNEXURE 1 (Contd.)

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	**Not applicable**		
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the Company at the year-end			
No. of Shares			
Amount of Investment in Associates/Joint Venture			
Extend of Holding%			
3. Description of how there is a significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Net worth attributable to shareholding as per latest audited Balance Sheet			
6. Profit/Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Pavan Kumar Bajaj
Chairman & Managing Director

ANNEXURE 2

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FY 2022-23

(As per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. **A brief outline of the Company's CSR policy:**

   On the recommendations of the Corporate Social Responsibility Committee, the Board approved and adopted the Corporate Social Responsibility Policy of the Company. The Company proposes to adopt projects or programmes under one or more of the activities as prescribed under Schedule VII of the Companies Act, 2013, as amended from time to time and as stated in the Corporate Social Responsibility Policy.

2. **Composition of the CSR Committee:**

S No.	Name	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.	Mrs. Astha Bajaj	Chairperson, Executive Director	2	2
2.	Mr. Anil Nath	Member, Independent Director	2	2
3.	Mr. Karan Bajaj	Member, WTD & CEO	2	1

3. **Provide the web link where the composition of the CSR Committee, CSR Policy, and CSR projects approved by the Board are disclosed on the company's website.**

   The CSR Committee and CSR Policy composition is available on the Company's website at https://www.electronicsmartindia.com/.

4. **Provide the details of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).**

   Not Applicable.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, and the amount required for set off for the financial year, if any**

S No.	Financial Year	Amount available for set off from proceeding financial year(s)	The amount required to be set off for the financial year(s)
	-	Nil	Nil

6. **Average net profit of the company as per section 135(5).**

   ₹ 1,106.66 million

7. (a) **Two percent of the average net profit of the company as per section 135(5):** ₹ 22.63 million

   (b) **Surplus arising out of the CSR projects or programs or activities of the previous financial years:** Nil

   (c) **Amount required to be set off for the financial year, if any:** Nil

   (d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹ 22.63 million

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹ million)	Amount Unspent (in million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		The amount transferred to any fund specified under Schedule VII as per the second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
8.02	14.61	27th February 2023	N.A.	Nil	N.A.

ANNEXURE 2 (Contd.)

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

S No.	Project Name	Budgeted Amount (₹)	Actual Spent (₹)	Balance Amount	Status of Project
1.	Sikh Education Society (Construction)	3.15	2.74	0.41	Ongoing
2.	Heal-a-Child Foundation	1.00	0.50	0.50	Ongoing
3.	Rainbow Children's Foundation	5.00	0.83	4.17	Ongoing
4.	TSCS -BMT	2.00	1.26	0.74	Ongoing
5.	TSCS- BMT (2022-23)	5.00	1.36	3.64	Ongoing
6.	Swayamkrushi	4.00	0.00	4.00	Ongoing
7.	Telangana Sikh Society 2022	1.14	0.00	1.14	Ongoing
	Total	**21.29**	**6.69**	**14.60**	

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

S No.	Project Name	Budgeted Amount (₹)	Actual Spent (₹)	Balance Amount	Status of Project
1.	Teach to India	1.13	1.13	-	Completed
2.	Telangana Sikh Society	0.20	0.20	-	Completed
3.	**Total**	**1.33**	**1.33**	-	

(d) **Amount spent on Administrative Overheads:** Nil

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

(f) **Total amount spent for the Financial Year:** ₹ 8.02 million

(g) **Excess amount for set off, if any:** Nil

9. (a) **Details of Unspent CSR amount for the preceding three financial years:** ₹ 9.09 million

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** ₹ 18.22 million

10. **In case of creation or acquisition of the capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** Nil

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

Pavan Kumar Bajaj
Chairman and Managing Director
DIN: 07899635

Astha Bajaj
Chairperson of the Committee
DIN: 07899784

Date: 26th July 2023
Place: Hyderabad

ANNEXURE 3

CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34(3) read with Part C of Schedule V to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is to conduct its Business within the framework of policies and internal and external regulations transparently. The Company is committed to achieve and maintain the highest standards of Corporate Governance. The Company believes in providing a structure that enhances stakeholder's value and society at large by ensuring that the Company adheres to ethical standards, laws, and best practices. The Company, in its approach to adopt the best possible practices of Corporate Governance and keeping adherence to the latest rules and regulations prescribed by various regulatory authorities, has taken all the necessary steps to stay in line with the continuously progressing governance demands.

Corporate Governance primarily involves 'Fairness and Equity', 'Board Independence', 'Stakeholders Engagement', and 'Compliance and Ethics'.

The Company complies with the requirements under Regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including any Statutory modification or re-enactment thereof (hereinafter referred to as the "Listing Regulations").

2. BOARD OF DIRECTORS ("BOARD")

The Board is at the core of the Company's Corporate Governance practices and oversees how the Management serves and protects stakeholders' long-term interests. The Board critically evaluates Company's strategic direction, management policies, and effectiveness.

The Company believes that an active, well-informed, and Independent Board is necessary to ensure the highest standards of Corporate Governance.

i. Composition and Category of Board

At Electronics Mart India Limited, the Board has an appropriate combination of Executive and Non–Executive Directors to maintain its independence. The Board Members have in-depth knowledge of Business and expertise in their areas of specialization.

As on 31st March 2023, the Board is comprised of (06) Six Directors, out of which (03) three Directors are Executive Directors, including the Chairman & Managing Director, and (03) three are Non-Executive Independent Directors, including (01) one Woman Independent Director constitute 50% of Board Strength. The composition of the Board conforms with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013, read with the Rules issued thereunder and is illustrated below:

Category of Board of Directors

S. NO.	Name of Directors	Category
A.	**PROMOTER AND PROMOTER GROUP**	
1.	Mr Pavan Kumar Bajaj	Chairman & Managing Director
2.	Mr Karan Bajaj	CEO & Whole Time Director
3.	Mrs Astha Bajaj	Whole Time Director
B.	**NON-PROMOTER**	
4.	Mr Anil Nath	Independent Director
5.	Ms Jyotsna Angara	Independent Director
6.	Mr Mirza Ghulam Muhammad Baig	Independent Director

KEY QUALIFICATIONS, EXPERTISE, AND ATTRIBUTES OF THE BOARD

The Board of the Company is broad-based and comprises qualified members from the industry. The Directors of the Company bring in the required skills, competence, and expertise that allow them to make effective contributions to the Board and its Committees. The Board of Directors has identified the following core skills, expertise, competencies, and attributes, which are considered while nominating the candidates for the Board.

Wide Management and leadership experience: Experience with complex Business Processes, Strategic Planning, Risk Management, and Business Environment. It brings the ability to identify and assess strategic opportunities and threats in the business context.

Functional and managerial experience: Experience in various functions such as Sales & Marketing, Finance & Accounts, Taxation, Treasury, Public Relations, Risk Management, etc.

Behavioral Competencies: Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company, having mentoring abilities, sound judgment, listening skills, ability and willingness to challenge and probe, integrity and high ethical standards, interpersonal skills and willingness to devote time and energy to their role.

Corporate Governance & Ethics: Understanding the legal ecosystem within which the Company operates and possessing knowledge on regulatory compliance, governance, and internal controls. Developing and implementing good corporate governance practices, maintaining Board and Management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, and regulatory bodies.

CSR and Sustainability: Relevant experience and knowledge in the matters of Corporate Social Responsibility, including environment, sustainability, community, and values.

INDEPENDENT DIRECTORS

Selection

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee ("NRC"), for appointment, as Independent Directors on the Board. The NRC, inter alia, considers various metrics and adheres to various processes per the Company's Policy for selecting Directors and determining directors' independence. Terms and conditions for the appointment of Independent Directors have been disclosed on the Company's website at: https://www.electronicsmartindia.com/investors.

Number of Independent Directorships

None of the independent directors hold the directorship more than the permissible limits under the Act and listing regulations.

Declaration by Independent Directors

A statement, in connection with fulfilling the criteria of independence as per the requirement of the provisions of the Act and the Regulations 16 and 25 (8) of Listing regulations received from each Independent Director, is disclosed in the Board's Report.

The maximum tenure of the Independent Directors follows the Act and regulations.

DIRECTORS' INDUCTION AND FAMILIARIZATION

Providing an appropriate induction program for new Directors and ongoing training for existing Directors is a major contributor to maintaining high Corporate Governance standards for the Company. The CEO, the CFO, and the Company Secretary are jointly and severally responsible for providing such induction to Directors. The Management provides such information either at the meeting of the Board of Directors or otherwise. The details of the familiarisation programs for Independent Directors are posted on the Company's website at: https://www.electronicsmartindia.com/investors.

BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND PROCEDURES

The Board of Directors is the apex body constituted by shareholders to oversee Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and, its effectiveness and ensures that shareholders' long-term interests are being served.

The Board has constituted (07) seven Eight Committee: Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders' Relationship Committee, CSR Committee, Finance Committee, and IPO Committee. The Board is authorised to constitute additional functional Committee(s), from time to time, depending on business needs.

The Company's internal guidelines for Board/Board Committee Meetings facilitate the decision-making process at its Meetings in an informed and efficient manner.

BOARD MEETINGS

The Board meets regularly to discuss and decide on Company/business policies and strategies apart from other regular business matters. However, in case of a special and urgent business needs, the Board's approval is taken by passing a resolution by circulation, for the matters permitted by law, which is noted and confirmed in the subsequent meetings of Board/Committee. Business Unit heads and senior management personnel make presentations to the Board. The Board is updated on the discussions held at the Committee Meetings and the recommendations made by various Committees.

The Company Secretary sets the agenda of the Board/Committee Meetings in consultation with the Chairman, MD and CFO, and functional heads of the Company. The agenda is circulated a week before the meeting date and includes detailed notes on items to be discussed at the Meeting to enable the Directors to make an informed decision. Usually, Meetings of the Board are held at the Corporate Office of the Company in Hyderabad, Telangana.

The Board meets at least once a quarter to review the quarterly results, performance of the Company, and other items on the agenda. Additional meetings are held, as and when necessary.

The Company also provides the facility to the Directors to attend the meetings of the Board and its Committees through Video Conferencing mode.

(07) seven Board meetings were held during the Financial Year 2022-23 on 14th May 2022, 26th May 2022, 15th September 2022, 23rd September 2022, 10th October 2022, 11th November 2022 and 10th February 2023. The Board Meetings were convened during every calendar quarter, and the intervening gap between the two Board meetings was within the limit prescribed under the Act and Listing Regulations.

Details of other Directorships and Chairmanship/Membership of Committees of each Director in various Companies for the Financial ear ending on 31st March 2023, including the Names of the Listed Entities and the Category of Directorship therein

S. No.	Name of the Director	DIN	Category (Chairperson/ Executive/ Non-Executive/ Independent/ Nominee)	No. of Directorship in listed entities, including this listed entity	No. of Independent Directorship in listed entities, including this listed entity	No. of memberships in Audit/ Stake-holder Committee(s), including this listed entity#	No. of the post of Chairperson in Audit/ Stake-holder Committee held in listed entities, including this listed entity	Name of other Listed Entity and Category of Directorship
1.	Mr Pavan Kumar Bajaj	07899635	CMD	1	0	1	0	-
2.	Mr Karan Bajaj	07899639	CEO & WTD	1	0	1	0	-
3.	Mrs Astha Bajaj	07899784	ED & WTD	1	0	1	0	-
4.	Mr Anil Rajendra Nath	07261148	ID	1	1	1	1	-
5.	Mrs Jyotsna Angara	07224004	ID	1	1	2	1	-
6.	Mr Mirza Ghulam Muhammad Baig	08281763	ID	1	1	0	0	

As required under Regulation 26 of Listing Regulations, the disclosure includes chairmanships/memberships of the Audit Committee and the Stakeholders' Relationship Committee.

Disclosure of relationships between Directors inter-se

S. No.	Name of the Directors	Relationship Inter-se
1.	Mr Pavan Kumar Bajaj	Related as Father of Mr Karan Bajaj and Father-in-law of Mrs Astha Bajaj
2.	Mr Karan Bajaj	Related as Son of Mr Pavan Kumar Bajaj and Husband of Mrs Astha Bajaj
3.	Mrs Astha Bajaj	Related as Wife of Mr Karan Bajaj and Daughter-in-law of Mr Pavan Kumar Bajaj
4.	Mr Anil Rajendra Nath	Not Related to any Director
5.	Mrs Jyotsna Angara	Not Related to any Director
6.	Mr Mirza Ghulam Muhammad Baig	Not Related to any Director

Key Skills/Expertise/Competencies of Board of Directors

In accordance with Regulation 34 (3) read with Para C of Schedule V of the Listing Regulations, the Board has identified the required set of skills, expertise, and competencies in the context of the Company's business and sector in which it is operating to function effectively and those actually available with the Board. Accordingly, the below table represents Key Skills/Expertise/Competencies considered desirable for the Board of the Company:

Knowledge of Retail Business	Understanding of industry and organisations involved in marketing and selling Electronics home appliances and IT Products.
Understanding of Government legislation/ legislative process	Awareness of the general framework of principles within which the Government is expected to act and within which regulations are issued
Finance & Accounting	Understanding of financial statements, transactions, the financial reporting process and financial controls and management of assets and liabilities
Corporate Laws and Governance	Understanding of Corporate rules, processes, or laws by which businesses are operated, regulated, or controlled
Sales & Marketing	Development of strategies to grow market share and experience of operations and activities on the global front across various geographical markets and industry verticals
Human Resource Management	Understanding of managing people and the work culture of the organisation
Information Technology	Ability to understand and appreciate the importance and robust use of Information technology in various aspects of business
Risk Management	Ability to identify, evaluate and prioritise risks followed by coordinated and economical application of resources to minimise, monitor and control the probability or impact of unfortunate events or to maximise the realisation of opportunities
Strategy Development and Implementation	Appreciation of long-term trends, strategic choices, and actions to reach long-term goals, identification of approaches to put plans into action, and monitoring of the same
Stakeholder Relationships	Experience in building and nurturing relationships with key stakeholders, viz. shareholders, customers, employees, bankers, government/semi-government authorities and fulfilment of commitment towards them
Proximity to Social Issues	Ability to analyse and understand impact of social issues and suggest measures to address them.

ANNEXURE 3 (Contd.)

Further, the Skill Matrix is enclosed herein:

Name of the Director	Key skills and expertise										
	Knowledge of Retail Business	Under-standing of Government legislation/ legislative process	Finance & Accoun-ting	Corporate Laws and Governance	Sales & Marketing	Human Resource Management	Information Technology	Risk Manag-ement	Strategy Develop-ment and Imple-mentation	Stakeholder Relation-ships	Proximity to Social Issues
Mr Pavan Kumar Bajaj	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mr Karan Bajaj	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mrs Astha Bajaj	Y	N	N	Y	Y	Y	Y	Y	Y	Y	Y
Mr Anil Rajendra Nath	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mrs Jyotsna Angara*	N	Y	Y	Y	Y	Y	Y	Y	N	Y	Y
Mr Mirza Ghulam Muhammad Baig	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y

*Appointed as an Independent Director w.e.f. 14th May 2022.

Confirmation that in the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing regulations and are independent of the Management

Based on the declarations/disclosures/intimations received from the Independent Directors, as prescribed under the Companies Act, 2013 and Listing Regulations, the Board confirm that in their opinion, the Independent Directors fulfil the conditions of independence as specified in Listing Regulations and are independent of the Management of the Company.

Detailed reason for the resignation of an Independent Director who resigns before the expiry of tenure along with confirmation by such Director that there are no material reasons

Mrs Suman Kumar, who had been associated with the Company as an Independent Director since 03rd December 2018, has given her resignation from the position of the Non-Executive Independent Director of the Company with effect from 06th May 2022 due to her other preoccupations.

Number of shares and convertible instruments held by Non-Executive Directors:

During the year under review, none of the Non-Executive Directors held any shares in the Company.

3. BOARD MEETINGS – PROCEDURES AND FLOW OF INFORMATION

The Meetings of the Board of Directors are scheduled well in advance and generally held physically at the Company's Corporate Office in Hyderabad with an option to join through video conferencing. All the necessary information and documents, as required under Regulation 17(7) read with Schedule II Part A of the Listing Regulations pertaining to the Meetings, are made available to the Board of Directors. Senior Executives / Management Team and Statutory Auditors of the Company are invited to attend Meetings of the Board and Committees, to make presentations covering Finance, Sales, major business segments and operations of the Company, all business areas of the Company, including business opportunities, business strategy and the risk management practices and Internal Audit issues and provide clarifications as and when required. The Board meets at least once a quarter to review the quarterly performance and approve the financial results.

The Companies Act, 2013, read with the relevant rules made thereunder, facilitates the participation of a Director in the Board/ Committee Meetings through video conferencing or other audio-visual means. Accordingly, the Directors who wish to participate in the Meetings through video conferencing were permitted, and the video conferencing facilities were made available to them, except for restricted items that are not permitted to be transacted through the said means.

The Agenda for the Meetings of the Board and its Committees are circulated well in advance, as per the Secretarial Standards issued by the Institute of Company Secretaries of India, to the Directors to ensure sufficient time is provided to prepare for the Meetings. In the path of digitisation and with a view to ensuring its commitment to the Go-Green initiative of the Government, the Company circulates notices, agenda, and notes to Agenda for Board/Committee Meetings through an electronic platform thereby ensuring high standards of security and confidentiality of Board papers.

Attendance Record of Directors at Board Meetings & previous Annual General Meeting (AGM)

During the Financial Year under review, the Board met (07) seven times and the Attendance Record of Directors in the Board Meeting and AGM for the Financial Year are tabulated below:

S. No.	Name of the Directors	AGM	Board Meeting during the 2022-23						
		30.05.22	14.05.22	26.05.22	15.09.22	23.09.22	10.10.22	11.11.22	10.02.22
1.	Mr Pavan Kumar Bajaj	💻	💻	💻	💻	💻	💻	💻	💻
2.	Mr Karan Bajaj	💻	✓	💻	💻	💻	💻	✓	✓
3.	Mrs Astha Bajaj	💻	💻	💻	💻	💻	💻	💻	×
4.	Mr Anil Nath	💻	✓	✓	💻	💻	💻	✓	✓
5.	Mr Mirza Ghulam Muhammad Baig	✓	✓	✓	💻	💻	💻	💻	✓
6.	Mrs Jyotsna Angara	----	✓	✓	💻	💻	💻	✓	💻

✓ Present × Absent 💻 Attended through Video Conferencing

Number of Board Meetings held and the dates on which held

The Board of Directors met (07) Seven times during the 2022-23. The intervening period between two Board Meetings was within the maximum time gap of 120 days, as prescribed under Listing Regulations. The dates on which Board Meetings were held during the year were as under:-

S. No.	Date of Board Meeting	Board's Strength	No. of Directors Present
1.	14th May 2022	6	6
2.	26th May 2022	6	6
3.	15th September 2022	6	6
4.	23rd September 2022	6	6
5.	10th October 2022	6	6
6.	11th November 2022	6	6
7.	10th February 2023	6	5

Meeting of Independent Director

In accordance with Section 149 (7) of the Companies Act, 2013, read with Para VII (1) of Schedule IV of the Companies Act, 2013 and Regulation 25 of Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 04th July 2022, without the presence of Non-Independent Directors and Members of the management, to review the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairperson of the Company, taking into account the views of Executive Directors, Non-Executive, Non-Independent Directors and also to assess the quality, quantity, and timeliness of the flow of information between the Company Management and the Board.

Web link where details of familiarisation program imparted to Independent Directors is disclosed

The Company periodically provides orientation and business overviews to its directors by way of detailed presentations Such meetings/programs include briefings on the culture, values, business model of the Company and the roles and responsibilities of Directors and senior executives. Besides these, the Directors are regularly updated about Company's business expansion, changes in the relevant regulatory environment, and strategic direction.

The Independent Directors are provided with all the documents/reports/policies sought by them for enabling a good understanding of the Company, its various operations, and the industry of which it is a part. The Independent Directors are also provided with regular updates on relevant statutory changes to ensure they remain current on the Compliance framework.

The details of such a Familiarisation Program for Independent Directors are posted on the website of the Company at https://www.electronicsmartindia.com.

4. COMMITTEES OF THE BOARD

As on 31st March 2023, the Company consists of five (5) statutory committees, which have been mandated under the provisions of the Companies Act, 2013, and Listing Regulations. Every Committee has an important role to play in terms of its reference. The process and procedure related to the Board Meetings are also applicable and followed in the Committee Meetings. The agenda items placed before consideration by Committees are recommended for approval in the Board Meetings.

Audit Committee

Brief Description of Terms of Reference

The Audit Committee has been duly constituted as per Section 177 of the Companies Act, 2013, and Regulation 18 of the Listing Regulations. The Audit Committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice, and secure attendance of outsiders with relevant expertise, if necessary.

The role of the Audit Committee as enshrined in Part C of Schedule II of Listing Regulations is as follows:

(i) The Audit Committee shall have powers, which should include the following:

(a) To investigate any activity within its terms of reference;

(b) To seek information from any employee of the Company;

(c) To obtain outside legal or other professional advice;

(d) To secure the attendance of outsiders with relevant expertise, if it considers necessary; and

(e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

(ii) The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) Recommendation for appointment, re-appointment and removal/replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;

(c) Approval of payments to statutory auditors for any other services rendered by them to the Company;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;

2. Changes, if any, in accounting policies and practices and reasons for the same;

3. Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

4. Significant adjustments made in the financial statements arising out of audit findings;

5. Compliance with listing and other legal requirements relating to financial statements;

6. Disclosure of any related party transactions; and

7. Qualifications / modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(f) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(i) Approval or any subsequent modification of transactions of the Company with related parties and granting omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(k) Scrutiny of inter-corporate loans and investments;

(l) Conduct valuation of undertakings or assets of the Company, wherever it is necessary;

(m) Evaluation of internal financial controls and risk management systems;

(n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(p) Discussion with internal auditors of any significant findings and follow up there on;

(q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(t) Reviewing the functioning of the whistle blower mechanism;

(u) Approval of the appointment of the Chief Financial Officer of the Company (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

(v) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws;

(w) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;

(x) monitoring the end use of funds raised through public offers and related matters;

(y) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimisation of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases; (

z) Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

(aa) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances; and

(bb) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(cc) Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.

(dd) consider and comment on rationale, cost benefits and impact of scheme involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

(iii) The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;

3. Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

4. Internal audit reports relating to internal control weaknesses;

5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

6. Statement of deviations:

    a. quarterly statement of deviation(s), including the report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

    b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and (g) review the financial statements, in particular, the investments made by any unlisted subsidiary;

ANNEXURE 3 (Contd.)

Composition, Name of Members, and Chairperson

As on 31st March 2023, the Audit Committee comprised (03) three Members, including (02) two Non-Executive Independent Directors. The Composition of the Audit Committee as on 31st March 2023 was as follows:

S. No.	Name	Status	Category of membership
1.	Mr Anil Nath	Chairman	Non-Executive Independent Director
2.	Mr Pavan Kumar Bajaj	Member	Executive Director
3.	Mrs Jyotsna Angara	Member	Non-Executive Independent Director

Meetings and Attendance

The Audit Committee met (04) four times during the 2022-23. The details of Meetings held and attendances of Directors in those Meetings are tabulated as under:

S. No.	Name of Directors	Meetings held on					Number of Meetings Attended
		26.05.2022	15.09.2022	11.11.2022	24.01.2023	10.02.2023	
1.	Mr Anil Nath	✓	💻	✓	✓	✓	5
2.	Mr Pavan Kumar Bajaj	💻	💻	💻	✓	💻	5
3.	Mrs Jyotsna Angara	✓	💻	✓	✓	💻	5

✓ Present × Absent 💻 Attended through Video Conferencing

The Internal Auditors of the Company report the findings of internal audits directly to the Audit Committee. The Statutory Auditor, the CFO and his team are invitees to the Audit Committee Meetings as and when required. The Company Secretary acts as the Secretary to the Audit Committee.

Nomination and Remuneration Committee.

Brief Description of terms of reference

The Nomination and Remuneration Committee has been duly constituted in accordance with the Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations and its terms of reference is in compliance with the governing provisions of the Companies Act, 2013 and Listing Regulations.The role of the Nomination and Remuneration Committee is in line with those specified in Part D of the Schedule II and is as follows:

a) Formulation of the criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

(a1) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: a. use the services of an external agencies, if required; b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates.

b) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

c) Devising a policy on Board diversity;

d) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director). The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

e) Analysing, monitoring and reviewing various human resource and compensation matters;

f) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

g) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

i) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

j) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

k) Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme");

l) Determining the eligibility of employees to participate under the ESOP Scheme;

m) Granting options to eligible employees and determining the date of grant;

n) Determining the number of options to be granted to an employee;

o) Determining the exercise price under the ESOP Scheme;

p) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

q) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

I. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

II. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable

r) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

s) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations;

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

Composition, Name of Members, and Chairperson

The Nomination and Remuneration Committee comprises of (03) three Directors as its Members. All the Members of the Committee are Non-Executive Independent Directors and have sound knowledge of management practices. The Chairman of the Committee is a Non-Executive Independent Director. The Composition of the Nomination and Remuneration Committee as on 31st March 2023 is given as below:

S. No.	Name	Status	Category of membership
1.	Mr M.G.M Baig	Chairman	Non-Executive Independent Director
2.	Mr Anil Nath	Member	Non-Executive Independent Director
3.	Mrs Jyotsna Angara	Member	Non-Executive Independent Director

Meetings and Attendance

The Nomination & Remuneration Committee met (05) five times during the year 2022-23.

The attendance of the Members in the Nomination & Remuneration Committee Meeting is as under:

S. No.	Name of Directors	Meetings held on					Number of Meetings Attended
		04.05.2022	06.05.2022	04.07.2022	11.11.2022	24.01.2023	
1.	Mr M.G.M Baig	✓	✓	✓	✓	✓	5
2.	Mr Anil Nath	💻	💻	💻	✓	✓	5
3.	Mrs Suman Kumar	✓	✓	📫	📫	📫	
4.	Mrs Jyotsna Angara	-	-	✓	✓	✓	5

✓ Present × Absent 💻 Attended through Video Conferencing

Performance evaluation of Board, Committees, etc.

One of the key responsibilities endowed on the Board and Nomination and Remuneration Committee is to ensure the continuity of a dynamic and forward-thinking Board and the Committees of the Board. To achieve the same, a formal annual evaluation of the Board, the Committees, and Individual Directors (including Independent Directors) as per the provisions of the Companies Act, 2013 and Listing Regulations was carried out with a view to ensure that individual Directors and the Board as a whole work efficiently and effectively in achieving Company's objectives.

The overall responsibility of the said exercise vested with the Nomination and Remuneration Committee.

The Independent Directors were evaluated on various performance indicators, including aspects relating to:

- Ethical Standards of Integrity and probity.
- Effectively assisted the Company in implementing best Corporate Governance Practices.
- Willingness to devote time and effort to understand the Company and its business.
- Adherence to applicable code of conduct and fulfillment of Director's obligations.
- Independent judgement during Board deliberations on Strategy, performance etc.
- Maintaining high level of Confidentiality.
- Interpersonal relationships with fellow Board Members and Senior Management.

Stakeholder's Relationship Committee

In adherence with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of Listing Regulations the Company has constituted a Stakeholder's Relationship Committee to address Investors grievances, redressal mechanism and recommends measures to improve the level of Investors' services and to look into and decide matters pertaining to share transfers, duplicate share certificates and related matters. The terms of reference of the Committee, inter-alia, include the following:

a. Redressal of all security holders' and investors' grievances such as complaints related to transfer/transmission of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, issue of new / duplicate certificates, general meetings etc., and assisting with quarterly reporting of such complaints;

b. Reviewing of measures taken for effective exercise of voting rights by shareholders;

c. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

d. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

e. Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

f. Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

g. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority;

Name of Non- Executive Director heading the Committee

Mrs Jyotsna Angara, Non- Executive Independent Director is the Chairman of Stakeholder Relationship Committee. The Committee comprises of (03) three Members and the details of constitution of the Committee as on 31st March 2023 are given as below:

S. No.	Name of Directors	Status	Category of membership
1.	Mrs. Jyostna Angara	Chairperson	Non-Executive Independent Director
2.	Mrs. Astha Bajaj	Member	Executive Director
3.	Mr. Karan Bajaj	Member	Chief Executive Director

Name and Designation of Compliance Officer

Mr Rajiv Kumar, Company Secretary, is the Compliance Officer and acts as Secretary to the Committee.

Meetings and Attendance:

Stakeholder Relationship Committee met (01) one time during 2022-23. The attendance of the Members in the Stakeholder's Relationship Committee Meeting is as under:

S. No.	Name of Directors	Date of meeting held	Number of meetings attended
		24.01.2022	
1	Mrs Jyotsna Angara	✓	1
2.	Mrs Astha Bajaj	✓	1
3.	Mr Karan Bajaj	✓	1

✓ Present × Absent 💻 Attended through Video Conferencing

Details of Investor complaints

During the 2022-2023, the Company received the following investor complaints through SEBI SCORES (SEBI Complaints Redress system) and Exchange SCORES. The below-stated complaints have been resolved in consultation with the Company Secretary and Compliance officer, and RTA of the Company:

S. No.	Investor Grievances Details	No. of complaints
1	No. of investor complaints pending at the beginning of the Quarter	0
2	No. of investor complaints received during the Quarter	4
3	No. of investor complaints disposed of during the Quarter	4
4	No. of investor complaints, those remained unresolved at the end of the Quarter	0

Risk Management Committee

The Risk Management Committee has been duly constituted in accordance to the Regulation 21 of the Listing Regulations and its terms of reference is in compliance with the governing provisions of the Listing Regulations. The role of the Risk Management Committee is in line with those specified in Part D of the Schedule II and is as follows:

a) To formulate a detailed risk management policy which shall include:

   i. framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Risk Management Committee.

   ii. measures for risk mitigation including systems and processes for internal control of identified risks.

   iii. business continuity plan.

b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

c) To review and recommend potential risk involved in any new business plans and processes.

d) To implement, monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management system.

e) Laying down risk assessment and minimisation procedures and the procedures to inform Board of the same;

f) To periodically review and assess the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity and recommend for any amendment or modification as necessary.

g) To keep the Board of Directors informed about the nature and content of its discussion, recommendation and action to be taken.

h) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any), shall be subject to the review by the Risk Management Committee.

i) 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.

j) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

ANNEXURE 3 (Contd.)

The Risk Management Committee shall coordinate its activity with other Committees, in instances where there is any overlap with activities of such Committees, as per the framework laid down by the Board of Directors.

Name of Non- Executive Director heading the Committee

Mr Mirza Ghulam Muhammad Baig, Non- Executive Independent Director is the Chairman of Risk Management Committee. The Committee comprises of (03) three Members and the details of constitution of the Committee as on 31st March 2023 are given as below:

S. No.	Name of Directors	Status	Category of membership
1.	Mr M.G.M Baig	Chairman	Non-Executive Independent Director
2.	Mr Karan Bajaj	Member	Chief Executive Officer
3.	Mr Premchand Devarakonda	Member	Chief Financial Officer

Name and Designation of Compliance Officer

Mr Rajiv Kumar, Company Secretary, is the Compliance Officer and acts as Secretary to the Committee.

Meetings and Attendance:

The Risk Management Committee met (02) two times during 2022-23. The attendance of the Members in the Risk Management Committee Meeting is as under:

S. No.	Name of Directors	Date of meeting held		Number of meetings attended
		19.01.2023	31.03.2023	
1	Mr M.G.M Baig	✓	✓	2
2.	Mr Karan Bajaj	×	×	0
3.	Mr Premchand Devarakonda	✓	✓	2

✓ Present × Absent 💻 Attended through Video Conferencing

Corporate Social Responsibility (CSR) Committee

The CSR Committee of the Board has been constituted pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The responsibilities of the CSR Committee include:

i. Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken,

ii. Recommending the amount of expenditure for the CSR activities,

iii. Monitoring CSR activities from time to time, and

iv. Reporting to the Board of Directors progress of CSR Activities and their impact of the society.

Composition, Chairperson and Name of Members

The Composition of Corporate Social Responsibility Committee as on 31st March 2023 is as under:

S. No.	Name of Directors	Status	Category of Membership
1.	Mrs Astha Bajaj	Chairperson	Executive Director
2.	Mr Anil Nath	Member	Non-Executive Independent Director
3.	Mr Karan Bajaj	Member	Chief Executive Officer

Meetings and Attendance

During the 2022-23 under review (02) two Meetings of CSR Committee were held. The attendance record of Directors is as follows:

S. No.	Name of Directors	Date of meeting held	
		12.05.2022	24.01.2023
1	Mrs Astha Bajaj	💻	✓
2.	Mr Anil Nath	💻	✓
3.	Mr Karan Bajaj	⮜	⮜

✓ Present × Absent 💻 Attended through Video Conferencing

5. REMUNERATION OF DIRECTORS

(i) Non-Executive and Independent Directors:

The details of sitting fees and commission paid to Non-Executive and Independent Directors during the 2022-23 are as under:

(in ₹ Millions)

Name of Directors	Commission	Sitting Fees	Total
Mr Anil Nath	-	1.50	1.50
Mrs Jyotsna Angara	-	1.20	1.20
Mr M.G.M Baig	-	1.75	1.75
Mr Suman Kumar	-	0.10	0.10

(ii) Executive Directors:

Details of the remuneration paid / payable to the Executive Directors of the Company during the 2022-23 are as under:

(in ₹ Millions)

Name and Designation of Directors	Designation	Salary	Perquisites & Allowances	Commission	Total
Pavan Kumar Bajaj	Chairman & Managing Director	22.00	9.00	-	31.00
Astha Bajaj	Whole Time Director	15.00	0.04	-	15.04
Karan Bajaj	Whole Time Director & CEO	24.00	0.08	-	24.08

6. GENERAL BODY MEETINGS

Location, date and time of Annual General Meetings (AGMs) held during the previous (03) three years are given in as under

Financial year	Day, Date & Time	Location	No. of Special resolutions passed
2021-2022	Tuesday, 30th May 2022 at 12:30 P.M.	Corporate Office of the Company, 4th Floor, Conference Room, 6-3-666/A1 to 7, Opp. NIMS Hospital, Punjagutta Main Road, Hyderabad - 500082	-
2020-2021	Wednesday, 29th September 2021 at 11:30 A.M		-
2019-2020	Monday, 28th December 2020 at 11:30 A.M.		Withdrawal of resolution of conversion of Company from Public to Private

7. MEANS OF COMMUNICATION

(a) Financial results

The quarterly/half-yearly and annual results of the Company are generally published in the Business Standard (English) and the Surya, a regional daily published from Telangana.

The quarterly/half-yearly and annual results and other official news releases are displayed on the website of the Company https://www.electronicsmartindia.com/ along with the website of the Stock Exchanges where the securities of the Company are listed.

(b) Presentations made to institutional investors or to the analysts

The Company organises meetings, and conference call with analysts and investors, and the presentations are made to analysts and transcripts & recordings of earnings calls are uploaded on the website of the Company along with the website of the Stock Exchanges where the securities of the Company are listed.

ANNEXURE 3 (Contd.)

8. GENERAL SHAREHOLDERS' INFORMATION

a. Annual General Meeting

The 5th Annual General Meeting of the Company is scheduled as under:
Date: 23rd August 2023
Day: Wednesday
Time: 12:30 P.M.
Venue: Video Conferencing and other Audio Visual Modes

b. Financial Year: April to March

c. Listing on Stock Exchange

our Company's equity shares are listed and traded on the following stock exchanges:

Name and address	Code/ Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai – 400023	Code: 543626
National Stock Exchange of India Limited. (NSE) Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E) Mumbai - 400051.	Symbol: EMIL

Listing fees for the 2022-23 have been paid to the above-mentioned stock exchanges.

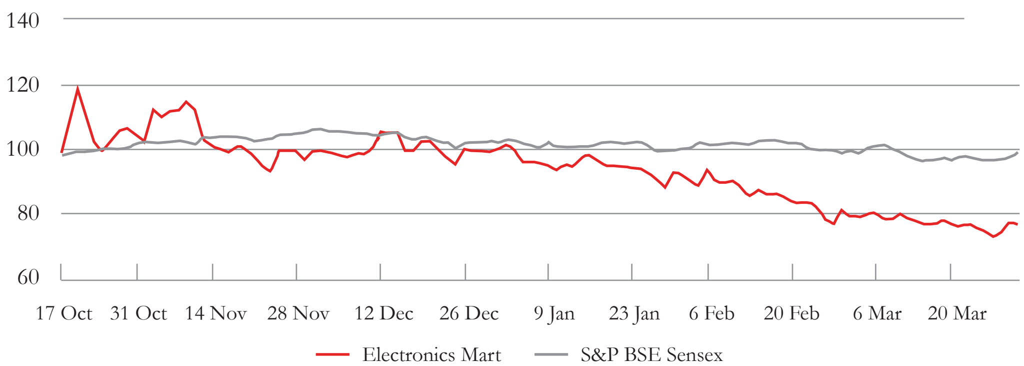
d. The Market price data-high, low during each month in the last financial year.

Monthly share price movement during the year 2022-23 at BSE & NSE:

The Company got listed on 17th October 2022* (Price in ₹)

Month	NSE		BSE	
	High	Low	High	Low
April 2022	-	-	-	-
May 2022	-	-	-	-
June 2022	-	-	-	-
July 2022	-	-	-	-
August 2022	-	-	-	-
September 2022	-	-	-	-
October 2022	103.65	83.10	103.55	83.05
November 2022	101.20	78.25	101.20	78.05
December 2022	92.30	81.00	92.35	80.80
January 2023	88.10	74.45	88.00	74.50
February 2023	81.95	64.70	81.85	64.75
March 2023	71.40	61.60	71.30	61.45

e. Performance in comparison to broad-based indices such as BSE-Sensex:



f. Registrar and Share Transfer Agent:

KFIN Technologies Limited

Address: Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500032

Email ID: einward.ris@kfintech.com

Toll-Free: 18003094001

Website: https://www.kfintech.com

g. Share Transfer System:

The Company's share transfer authority has been delegated to the Company Secretary/ Registrar and Transfer Agent M/s KFIN Technologies Limited, who generally has the authority to approve and confirm the request for share transfer/ transmission/ transposition/ consolidation/ issue of duplicate share certificates/ sub-division, remat, demat and perform other related activities in accordance with the Listing Agreement and SEBI (Depositories and Participants) Regulations, 2018. Except for ten shares, all the shares of the Company are in dematerialised form.

During the year under review, the Company obtained the following certificate(s) from Practicing Company Secretary and submitted the same to the stock exchanges within the stipulated time:

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for year ended 31st March 2023 respectively with the Stock Exchanges; and

2. Certificate regarding reconciliation of the share capital audit of the Company on a quarterly basis.

h. Distribution of shareholding:

ELECTRONICS MART INDIA LIMITED					
DISTRIBUTION SCHEDULE AS ON 31/03/2023					
S No	**Category**	**Cases**	**% of Cases**	**Amount**	**% of Amount**
1	1-5000	90,092	92.28	10,36,34,070.00	2.69
2	5001- 10000	3,401	3.48	2,68,51,560.00	0.70
3	10001- 20000	2,057	2.11	3,06,54,810.00	0.80
4	20001- 30000	699	0.72	1,77,49,820.00	0.46
5	30001- 40000	410	0.42	1,46,69,470.00	0.38
6	40001- 50000	269	0.28	1,28,38,840.00	0.33
7	50001- 100000	387	0.40	2,90,20,290.00	0.75
8	100001& Above	309	0.32	3,61,20,68,760.00	93.88

ANNEXURE 3 (Contd.)

Shareholding pattern as of 31st March 2023

ELECTRONICS MART INDIA LIMITED				
DISTRIBUTION SCHEDULE AS ON 31/03/2023				
S No	**Description**	**Cases**	**Shares**	**% Equity**
1	ALTERNATIVE INVESTMENT FUND	4	20,82,063	0.54
2	BODIES CORPORATES	189	28,05,548	0.73
3	CLEARING MEMBERS	28	97,238	0.03
4	FOREIGN PORTFOLIO - CORP	16	1,30,11,599	3.38
5	H U F	1,307	12,98,991	0.34
6	MUTUAL FUNDS	18	3,38,10,870	8.79
7	NON-RESIDENT INDIAN NON REPATRIABLE	157	1,37,764	0.04
8	NON RESIDENT INDIANS	299	2,61,614	0.07
9	PROMOTER GROUP	4	53,148	0.01
10	PROMOTERS	2	29,99,36,565	77.96
11	QUALIFIED INSTITUTIONAL BUYER	4	39,51,689	1.03
12	RESIDENT INDIVIDUALS	95,595	2,73,00,173	7.10
13	TRUSTS	1	1,500	0.00
Total		97,624	38,47,48,762	100.00

i. **Dematerialisation of share and liquidity:**

Your Company's shares are tradable only in electronic form. The Company has established connectivity with both the depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), through Registrars and Share Transfer Agent viz., KFin Technologies Limited.

The International Securities Identification Number (ISIN) allotted to our shares under the Depository System is INE02YR01019.

Details of Shares held in Physical and Electronic form: As on 31st March 2023, except for (10) ten shares all the shares of the Company are in dematerialised form.

Number of Shares dematerialised during 2022-23: 10 Shares.

Number of Shares rematerialised during 2022-23: NIL.

j. **Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity:**

The Company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments.

k. **Plant locations:** Not Applicable

l. **Address for correspondence:** The shareholders may address their communications / suggestions / grievances / queries to:

Company Secretary
Electronics Mart India Limited
Address:6-3-666/A1to7, Opp. NIMS Hospital, Punjagutta Main Road, Hyderabad – 500082 India
Tel: (040)-23230244
Email: cs@bajajelectronics.in
Website: https://www.electronicsmartindia.com/

Name of RTA: KFin Technologies Limited
(formerly known as KFin Private Limited)
Registrars and Share Transfer Agents
Selenium Tower B, Plot No.31-32 Gachibowli, Financial District Nanakramguda, Hyderabad - 500 032, India
Tel: (040) 67161591 Fax: (040) 23420814
Email: einward.ris@kfintech.com
Website: https://www.kfintech.com

m. **Credit Rating:**

Rating Agency	Instrument Type	Rating
Ind-Ra	Fund-based working capital limits	IND A-/Stable/IND A2+
	Term loans	IND A-/Stable

9. OTHER DISCLOSURES

Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of Company at large

There were no transactions of significant material nature that have a potential conflict with the interest of Company at large. During the year 2022-23 all the transactions entered into were in the normal course of business and at arms-length basis. The said transactions are reported as the Related Party Transactions in the Annual Financial Statements.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

There has been no non-compliances and no penalties/ strictures have been imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.

Details of establishment of vigil mechanism and affirmation that no personnel have been denied access to the Audit Committee

Under the Vigil Mechanism, the Company has provided a platform to Directors and employees to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the Company/Group which have a negative bearing on the organisation either financially or otherwise.

The Company has a robust Whistle Blower Policy to enable its Directors and eemployees to voice their concerns to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Company promotes a favourable environment for employees to have an open access to the respective functional Heads, Executive Directors, Chairman and Managing Director, so as to ensure ethical and fair conduct of the business of the Company.

The said policy was suitably formulated and the same was adopted with effect from 23rd February 2019.

No persons were denied access to the Audit Committee of the Company with regards to the above.

Details of compliance with mandatory requirements under SEBI (Listing Regulations & Disclosure Requirements), Regulations, 2015 and adoption of non-mandatory requirements

The Company has fully and adequately complied with all the mandatory requirements of the Listing Regulations.

Adoption of Non- mandatory Requirements

In adherence with Regulation 27 (1) of Listing Regulations, the Company has voluntarily complied with following non-mandatory requirements:

(i) During the year under review, there were no Audit qualifications on the Company's Financial Results. The Company continues to adopt best practices to ensure regime of Unmodified Opinion.

(ii) The Internal Auditors have direct access to the Audit Committee and the Internal Auditors presents their Audit Observations to the Audit Committee of Board.

Web link where policy for determining 'material' subsidiaries is disclosed

The Company does not have any material non-listed Indian Subsidiary Company in terms of Regulation 16 of the Listing Regulations hence no disclosure is required to be reported under this heading.

Web link where policy on dealing with Related Party Transactions is disclosed

The Board approved Policy on Related Party Transactions can be accessed on https://www.electronicsmartindia.com/investors.

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

The Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement during the year 2022-23.

Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/ Ministry of Corporate Affairs or any such statutory authority

Certificate as required under Part C of Schedule V of Listing Regulations, received from CS Vinod Sakaram, Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on 21st July 2023.The same is reproduced as below:

ANNEXURE 3 (Contd.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015]

To
The Members of
Electronics Mart India Limited
Hyderabad

We have examined the relevant disclosures provided by the Directors (as enlisted in the Table below) to Electronics Mart India Limited (CIN: L52605TG2018PLC126593), having its Registered Office at D. NO: 6-1-91, SHOP NO. 10, GROUND FLOOR, TELEPHONE BHAVAN, SECRETARIAT RD, SAIFABAD, HYDERABAD, TG 500004 IN (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C, Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and based on the following:

i. Documents available on the website of the Ministry of Corporate Affairs;

ii. Verification of Directors Identification Number (DIN) status at the website of the Ministry of Corporate Affairs;

iii. Disclosures provided by the Directors (as enlisted in Table A) to the Company; and

iv. Debarment list of Bombay Stock Exchange and National Stock Exchange.

we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table below) have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on 31st March 2023:

SI. No.	Name of Director	Director Identification Number	Date of Appointment in the Company
1.	PAVAN KUMAR BAJAJ	07899635	10/09/2018
2.	KARAN BAJAJ	07899639	10/09/2018
3.	ASTHA BAJAJ	07899784	10/09/2018
4.	ANIL RAJENDRA NATH	07261148	03/12/2018
5.	MIRZA GHULAM MUHAMMAD BAIG	08281763	03/12/2018
6.	ANGARA JYOTSNA	07224004	14/05/2022

Place: Hyderabad
Date: 03rd July 2023

For VSSK & Associates, Company Secretaries
Firm nique Code P2015TL044700

CS Vinod Sakaram, Partner
PCS: 8345
P/R No. 1456/2021
UDIN: A023285E000533663

Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year, the same is to be disclosed along with reasons thereof

There has been no such incidence where the Board has not accepted the recommendation of any of its Committee during the Year under review.

Total fees for all services paid by the Company and its subsidiary to the Statutory Auditors

During the Year under review, a total fee paid by the Company for all the services provided by Statutory Auditor is as mentioned below:

₹ in Millions

Payments to the auditor	2022-23	2021-22
As auditor	5.05	3.65
For other services	0.10	-
Out-of-pocket expenses	0.12	-
Total	**5.27**	**3.65**

Disclosures in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at the workplace. The details relating to the number of complaints received and disposed of during the year 2022-23 are as under:

S. No.	Particulars	Number of Complaints
1.	Number of Complaints filed during the Financial Year	3
2.	Number of Complaints disposed of during the Financial Year	3
3.	Number of Complaints pending as on end of the Financial Year	0

10. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED

The Company is fully compliant with all the requirements of the Corporate Governance Report as stated in sub paras (2) to (10) of Schedule V of Listing Regulations.

11. DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46.

The Company has complied with all the requirements of Corporate Governance as follows: -

- Regulations 17 to 27
- Clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule.

13. DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER STATING THAT THE MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company has adopted a Code of Conduct for its Board and Senior Employees as per Listing Regulations, and the same is available on the Company's website. Also, the Code of Conduct for the Board of Directors and Senior Management in terms of Regulation 17(5) of Listing Regulations has been framed and adopted by the Board of Directors on April 14, 2021. All Members of the Board and Senior Management Personnel have affirmed compliance with the said Code of Conduct for the year 2022-23. A declaration to that effect, signed by the CEO & Senior Executive Director, forms part of this Report. The Code of Conduct is also available on the website of the Company under the web link https://www.electronicsmartindia.com/investors.

14. COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance forms part of this Report.

ANNEXURE 3 (Contd.)

15. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

The details of shares in the Demat Suspense account as on 31st March 2023 is as follows:

Description	No. of Cases	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. 01st April 2022	-	-
Number of shareholders who approached the Company for transfer of shares from suspense account during the year 2022-23.	1	254
Less: Number of shareholders to whom shares were transferred from suspense account during the year 2022-23.	1	254
Less: Number of shares which were transferred to IEPF Account during the year 2022-23.	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31st March 2023.	-	-

16. CEO/CFO CERTIFICATE

The CEO & Senior Executive Director, Mr Karan Bajaj and the Chief Financial Officer, Mr Premchand Devarakonda have furnished the requisite certificate to the Board of Directors pursuant to Regulation 17(8) of the Listing Regulations which forms part of this Report.

17. COMPLIANCE OFFICER OF THE COMPANY

Mr Rajiv Kumar, Company Secretary is the Compliance Officer of the Company. He is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matter.

CERTIFICATE OF COMPLIANCE OF CODE OF CONDUCT BY BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

I, Karan Bajaj, CEO & Executive Director of the Company hereby certify that the Board of Directors and the Senior Management Personnel have affirmed compliance of the Code of Conduct of the Company for the year 2022-23

Sd/-

Place: Hyderabad **Karan Bajaj**

Date: 17th July 2023 CEO & Executive Director

CEO AND CFO CERTIFICATE

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

a. We certify to the Board that we have reviewed Financial Statements and Cash Flow Statement for the year ended 31st March 2023 and that to the best of our knowledge and belief;

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or violative of the Company's Code of Conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have 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, if any.

d. We have indicated to the Auditors and the Audit Committee

   (i) significant changes in internal control over financial reporting during the year, if any;

   (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and

   (iii) There were no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Karan Bajaj
Chief Executive Officer

Date: 17th July 2023
Place: Hyderabad

Premchand Devarakonda
Chief Financial Officer

Date: 17th July 2023
Place: Hyderabad

ANNEXURE 4

Business Responsibility & Sustainability Report

SECTION A
GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L52605TG2018PLC126593
2.	Name of the Listed Entity	Electronics Mart India Limited
3.	Year of incorporation	2018
4.	Registered office address	6-1-91, Shop No. 10, Ground Floor, Next to Telephone Bhawan, Secretariat Road, Saifabad, Hyderabad - 500004
5.	Corporate address	6-3-666/A1 to 7, Opp. NIMS Hospital, Panjagutta Main Road, Hyderabad - 500082
6.	E-mail	communications@bajajelectronics.in
7.	Telephone	040-23230244
8.	Website	www.electronicsmartindia.com
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited BSE Limited
11.	Paid-up Capital	₹3,84,74,87,620
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Rajiv Kumar, 040-23230244 csrajivkumar@bajajelectronics.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

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
Trade	Retail	98.42%
Trade	Wholesale	1.11%
Trade	E-Commerce	0.47%

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

	Product/Service	NIC Code	% of total Turnover contributed
1	Retail sale of gas stoves, cooking/kitchen appliances.	47593	4.54
2	Retail sale of refrigerators, washing machines, and other electrical/electronic household goods.	47594	31.48
3	Retail sale of computers and computer peripherals.	47411	7.21
4	Retail sale of telecommunication equipment.	47414	36.60
5	Retail sale of audio and video equipment in specialised stores.	47420	17.85
6	Wholesale of radio, television and other consumer electronics including CD/DVD players and recorders	46522	1.11

III. Operations

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

National

Number of plants 137

Number of offices 3

140 Total

International

Number of plants 0

Number of offices 0

0 Total

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	8
International (No. of Countries)	0

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

0%

c. A brief on types of customers

Electronics Mart India Limited (EMIL) serves a diverse range of customers, primarily focusing on the B2C (Business-to-Consumer) segments within the consumer industry. By specializing in these customer categories, EMIL is able to effectively meet the needs and preferences of individual consumers.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	Employees					
1	Permanent (D)	2269	2148	94.67%	121	5.33%
2	Other than Permanent (E)	0	0	0%	0	0%
3	Total employees (D + E)	2269	2148	94.67%	121	5.33%
	Workers*					
4.	Permanent (F)	0	0	0 %	0	0 %
5.	Other than Permanent (G)	0	0	0 %	0	0 %
6.	Total workers (F + G)	0	0	0 %	0	0 %

* We do not have workers in our Company

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	0	0	0%	0	0%

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females No. (B)	% (B / A)
Board of Directors	6	2	33.33%
Key Management Personnel	5	1	20.00 %

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	2022-2023 (Turnover rate in current FY)			2021-2022 (Turnover rate in previous FY)			2020-2021 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	40.61%	64.08%	41.74%	40.04%	26.92%	39.50%	36.01%	55.07%	36.84%
Permanent Workers	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	0.27	N.A.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

18. Details as at the end of Financial Year:

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 indicate at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Cloudnine Retail Private Limited	Subsidiary	100%	No
2	EMIL CSR Foundation	Subsidiary	100%	No

VI. CSR Details

18. Details as at the end of Financial Year:

22. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: (Yes/No)

Yes

(ii) Turnover (in ₹ Million)

54,567.52

(iii) Net worth (in ₹ Million)

11,843.64

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)	2022-2023 Current Financial Year			2021-2022 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	-	-	-	-	-	-
Investors (other than shareholders)	Yes Weblink	5	0		0	0	
Shareholders	Yes Weblink	5	0		0	0	
Employees and workers	Yes Weblink	0	0		0	0	
Customers*	Yes Weblink	2,352	0		1,892	0	
Value Chain Partners	No	-	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

*Include telephonic complaints and support provided.

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	The rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Supply chain management	Opportunity	Emphasizing sustainability within the supply chain can also cater to increasing consumer demand for environmentally responsible products, boosting the Company's reputation. Moreover, resilient supply chains can help the Company navigate disruptions, giving it a competitive edge in the dynamic retail market		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	The rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Customer Relationship Management-	Opportunity	For an electronics retail chain company, effective customer relationship management (CRM) presents a significant opportunity. By nurturing customer relationships through personalised service, responsive support, and targeted marketing, the Company can enhance customer loyalty and increase repeat business. A robust CRM strategy can also provide valuable insights into customer preferences and behavior, enabling the Company to tailor its offerings and improve its product mix, ultimately driving sales growth and enhancing profitability.		Positive
3.	Privacy protection and data security	Risk	The handling of vast customer data, including sensitive personal and payment information, means that any data breach could have severe consequences, including financial loss, legal penalties, and damage to reputation. Furthermore, failure to uphold privacy standards can erode customer trust, leading to potential loss of business and affecting the Company's long-term viability.	Our approach to privacy protection and data security is multi-faceted. We've implemented a robust IT policy that covers all phases of the data lifecycle, including acquisition, use, storage, and disposal. This ensures data protection at each level. Our 'Defence in Depth' strategy adds multiple layers of security measures, creating a more robust protection system. We place great emphasis on personnel and customer data security, training employees about safe data handling practices and employing advanced encryption for customer data. Additionally, we comply with all local and international data privacy laws and regulations to maintain the highest level of data security.	Negative
4.	Community Development: - Empowering SMEs and Women Entrepreneurs for Employment Generation	Opportunity	By offering support and partnering with these entities, the Company can diversify its supply chain, foster innovation, and create more jobs. This also aligns with growing consumer demand for responsible businesses. Furthermore, promoting women entrepreneurs can enhance the Company's reputation, attract a broader customer base, and contribute to local economies, positioning the Company as a positive force in the communities it serves.		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	The rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Business ethics and anti-corruption	Risk	The key area relevant to business ethics is the management of issues such as fraud, executive misconduct, corrupt practices, money laundering, or anti-trust violations. Ethics violations can lead to police investigations, hefty fines, settlement costs, and damage to reputation.	To manage ethical and conduct risks in business, we've implemented a comprehensive ethics program and a transparent code of conduct. These guidelines are thoroughly ingrained in our business operations and communicated efficiently. Regular awareness initiatives via training and education programs fortify these practices. For compliance risk mitigation, we ensure a deep comprehension of applicable laws and regulations, execute frequent audits, and uphold strict internal policies. This is bolstered by continuous training for employees, fostering an environment that values and prioritises compliance.	Negative
6.	Corporate Governance	Risk	Businesses are assessed based on their performance across all key governance issues, which include ownership & control, Board pay, accounting, business ethics, and tax transparency. This topic examines the effect that a company's corporate governance and business ethics practices have on its shareholders and other investors.	The Company's foundation is built on key values like transparency, integrity, professionalism, and accountability. It relentlessly works to strengthen these aspects, employing innovative approaches for optimal resource utilisation and seizing opportunities for success. This is achieved through suitable empowerment and motivation. Additionally, it places a strategic emphasis on the continuous growth and development of its employees as a means to drive the Company's advancement.	Negative
7.	Market Presence, distribution Network & Channels	Opportunity	A larger market footprint increases brand visibility, enabling the Company to reach a broader customer base. Simultaneously, an effective distribution network ensures product availability and timely delivery, enhancing customer satisfaction. Leveraging various channels, including online platforms and physical stores, provides multiple touchpoints for customers, potentially driving higher sales and strengthening the Company's competitive position		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	The rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Ethical Marketing	Opportunity	By adopting honest, transparent, and responsible marketing practices, the Company can enhance its brand reputation and gain customer trust. This approach can attract ethically-conscious consumers and differentiate the Company in a competitive market. Ethical marketing also reduces the risk of legal issues related to false advertising or deceptive practices, ultimately supporting long-term business sustainability and growth.		Positive

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	No	Yes	No	Yes	No	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	No	Yes	No	Yes	No	No	Yes	No
c. Web Link of the Policies, if available	Link	-	Link	-	Link	-	-	Link	Link
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	No	Yes	No	Yes	No	No	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	No	No	No	No	No	No	No	No	No
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	No	No	No	No	No	No	No	No	No

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not Applicable								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

As the director responsible for the Business Responsibility Report, I'm proud to share our progress on addressing ESG (Environmental, Social, Governance) issues. This year, we completed our inaugural BRSR, an important step that involved conducting a materiality assessment, identifying key stakeholders, and calculating our GHG emissions, water, and energy footprint.

Addressing challenges such as privacy and data security, corporate governance, business ethics, and compliance, we've made significant strides. Our opportunities lie in areas, like supply chain management, community development, sustainable packaging, and customer satisfaction, and we're making consistent efforts in these directions.

To reduce our environmental impact, we've set tangible targets. We've partnered with the Edge Group to install solar panels with Smart switches across our offices and retail outlets, significantly contributing to our renewable energy usage. We're also actively working towards reducing water consumption and single-use plastics. This is demonstrated by our initiative to install Reverse Osmosis systems in outlets to decrease reliance on bottled water.

Furthermore, we're committed to offsetting our carbon footprint by developing a green belt initiative, which will not only beautify our surroundings but also mitigate GHG emissions.

Our achievements in this journey are noteworthy. We've established an ESG committee to oversee and strategise our sustainability initiatives. We've successfully installed solar power plants at several outlets, reinforcing.

In conclusion, these accomplishments are stepping stones in our commitment to ESG targets, but we understand the road ahead is long and we remain dedicated to making a positive impact.

Mr Karan Bajaj
Managing Director

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	ESG Committee
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, ESG Committee responsible for decision-making on Sustainability-related issues

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)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	ESG Committee									Half Yearly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	ESG Committee									Half Yearly								

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.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
No	No	No	No	No	No	No	No	No

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/ No)	-	Yes	-	Yes	-	Yes	Yes	-	Yes
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	No	No	No	No	No	No	No	No	No
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	No	No	No	No	No	No	No	No	No
It is planned to be done in the next financial year (Yes/No)	-	Yes	-	Yes	-	Yes	Yes	-	Yes
Any other reason (please specify)									

SECTION C
PRINCIPLE-WISE PERFORMANCE DISCLOSURE

1 PRINCIPLE | Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness 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	4	Update on Business, KPI performance, Visit of new specialised stores.	100%
Key Managerial Personnel	4	Update on Business, KPI performance, Visit of new specialised stores.	100%

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
Employees other than BoD and KMPs	60	Skill upgradation, Software training, product delivery related trainings, expenditure upgradation training	100%
Workers	-	-	-

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

Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015, and as disclosed one entity's website):

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	-	-	-	-
Settlement	NIL	-	-	-	-
Compounding fee	NIL	-	-	-	-

Non-Monetary

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

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.**

Name of the regulatory/ enforcement agencies/judicial institutions	Not Applicable
Case Details	Not Applicable

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.**

Yes, we have an anticorruption and anti-bribery policy.

Link

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

2022-2023 (Current Financial Year)

Directors	KMPs	Employees	Workers
0	0	0	0

2021-2022 (Previous Financial Year)

Directors	KMPs	Employees	Workers
0	0	0	0

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

	2022-2023 (Current Financial Year)		2021-2022 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

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 Corrective action required issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest

2 PRINCIPLE | Businesses Should Provide Goods and Services In A Manner That Is Sustainable And Safe

Essential Indicators

1. **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.**

	Current Financial Year 2022-2023	Previous Financial Year 2021-2022	Details of improvements in environmental and social impacts
R&D	0	0	N.A.
Capex	0	0	N.A.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

No, we do not have a sustainable sourcing policy. However, we procure sustainable input materials for our business

b. **If yes, what percentage of inputs were sourced sustainably?**

30 % of the input material such as recycled paper packaging etc, are sustainably sourced.

3. **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.**

No, as an e-commerce business operating in the retail sector, our role primarily involves facilitating transactions between buyers and various product manufacturers or suppliers. As such, we do not manufacture or own any of the products sold through our platform. This unique business model unfortunately does not permit us to reclaim products for reuse, recycling, or disposal at the end of their lifecycle.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No, Extended Producer Responsibility is not applicable to our company.

3 PRINCIPLE | Businesses Should Respect and Promote The Well-Being Of All Employees, Including Those In Their Value Chains

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	% 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											
Male	2148	1235	57.50%	0	-	N.A.	-	0	-	0	-
Female	121	84	69.42%	0	-	121	100%	N.A.	-	0	-
Total	2269	1319	58.13%	0	-	121	100%	0	-	0	-

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)
Other than Permanent employees											
Male	Not applicable										
Female											
Total											

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	Not applicable										
Female											
Total											
Other than Permanent workers											
Male	Not applicable										
Female											
Total											

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

Benefits	2022-2023 Current Financial Year			2021-2022 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%	N.A.	Yes	100%	N.A.	Yes
Gratuity	100%	N.A.	Yes	100%	N.A.	Yes
ESI	100%	N.A.	Yes	100%	N.A.	Yes
Others – Please Specify	-	-	-	-	-	-

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, the premises/ offices are accessible to differently abled employees and workers requirements of the Rights of Persons with Disabilities Act, 2016.

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, we have equal opportunity policy as the right of persons with disability act.

Link

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	-	-
Female	0	0	-	-
Total	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/No (If Yes, then give details of the mechanism in brief)

- Permanent Workers
- Other than Permanent Workers
- Permanent Employees
- Other than Permanent Employees

The Company fosters a culture of open communication, encouraging employees to freely raise and discuss their concerns with their superiors, relevant category heads, or the Human Resource Department. Grievances can be reported through various channels, including calls, WhatsApp, and emails to hr@bajajelectronics.in and hr.compliance@bajajelectronics.in, ensuring accessible platforms for addressing employee issues.

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

Category	2022-2023 (Current Financial Year)			2021-2022 (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)
Total Permanent Employees	2269	0	0 %	1995	0	0 %
- Male	2148	0	0 %	1910	0	0 %
- Female	121	0	0 %	85	0	0 %
Total Permanent Workers	0	0	0 %	0	0	0 %
- Male	0	0	0 %	0	0	0 %
- Female	0	0	0 %	0	0	0 %

8. Details of training given to employees and workers:

Category	2022-2023 Current Financial Year					2021-2022 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	2148	2148	100%	1809	84.22%	1910	1910	100%	1574	82.41%
Female	121	121	100%	121	100%	85	85	100%	85	100%
Total	2269	2269	100%	1930	85.06%	1995	1995	100%	1659	83.16%
Workers										
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Total	0	0	0%	0	0%	0	0	0%	0	0%

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

Category	2022-2023 Current Financial Year			2021-2022 Current Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	2148	552	25.70%	1910	1083	56.70%
Female	121	16	13.22%	85	48	56.47%
Total	2269	568	25.03%	1995	1131	56.69%
Workers						
Male	0	0	0%	0	0	0%
Female	0	0	0%	0	0	0%
Total	0	0	0%	0	0	0%

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 such system?**

We have an Occupational Health and Safety Management System in place at all our company-owned offices and retail outlets.

To maintain the effectiveness of this system, we have an internal audit team that conducts regular assessments. These assessments, performed throughout the year, focus on fire safety and evaluating the working conditions at all our locations. This continuous evaluation helps us maintain a safe and healthy environment across all our premises.

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

We are committed to maintaining a safe and healthy work environment. We carry out a systematic approach that encompasses routine and non-routine assessments to identify potential hazards and assess associated risks. Our safety team conducts regular safety inspections throughout our workspaces, which include warehouses, administrative offices, and retail outlets. These inspections aim to proactively identify any potential hazards that could lead to work-related injuries or illnesses. One of the essential components of our risk management strategy is our proactive fire safety measures. We regularly conduct fire drills at our stores to ensure our employees are well-trained and prepared in case of fire emergencies. Our stores also undergo periodic inspections by the local fire department to ensure compliance with all fire safety regulations.

All identified hazards, potential risks, and subsequent mitigation strategies are duly reported to our Risk Management Committee. This allows for consistent oversight and effective decision-making on risk mitigation strategies.

Our ultimate goal is to anticipate, prevent, and manage any potential work-related hazards effectively, maintaining our commitment to the health and safety of our employees and customers.

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

Yes, we have processes for workers to report the work-related hazards and to remove themselves from such risks.

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

Yes, employees/workers of the entity have access to non-occupational medical and healthcare services.

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

Safety Incident/Number	Category	2022-2023 Current Financial Year	2021-2022 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

The Company has implemented a comprehensive set of health and safety measures to prioritise the well-being of its employees. This includes regular store sanitisation to maintain a clean and hygienic environment. Sanitisers have been made readily available throughout the workplace, promoting proper hand hygiene and reducing the risk of infection. Moreover, as a proactive step, all employees have been vaccinated, further enhancing the safety of the workforce. Strict adherence to all health and safety protocols is followed diligently to ensure a healthy and secure working environment for everyone. By adopting these measures, the Company upholds its commitment to the health and safety of its employees, fostering a culture of well-being and resilience.

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

	2022-2023 (Current Financial Year)			2021-2022 (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	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

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.

We prioritise the safety of our employees and facilities by consistently adhering to stringent fire safety protocols. Regular fire drills are conducted at frequent intervals to ensure that everyone is well prepared and familiar with emergency procedures.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N)

Yes

B) Workers (Y/N)

Yes

4 PRINCIPLE | 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.

The top management, along with board members and various departments, carried out the process of recognizing key stakeholders. Stakeholders are defined as groups that have the potential to affect or be affected by the Company. The identified stakeholders consist of both internal and external individuals and entities that are essential to the organisation. These primary stakeholders encompass our employees, investors, shareholders, government bodies, suppliers, customers, financial institutions, and the broader community. The Company values the contributions of all stakeholders towards achieving our strategies and objectives. We hold their perspectives in high regard and seek to cultivate strong relationships with them. Through continuous interaction and dialogue, we strive to meet the needs and aspirations of all our stakeholders.

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
Community	No	Print and electronic media	Weekly	Awareness
Shareholders	No	Emails, Newspapers, meetings	Quarterly	Business Updates
Employees	No	Emails, Notices, meetings	Weekly	Training, Business updates
Vendors/ suppliers	No	Emails, meetings	Regularly	Business updates
Government; NGOs; media, Industry analyst, Society at large	No	Emails, Meetings	Yearly	Statutory updates
Customers	No	Print, electronic, and social media	Weekly	Update, Business promotion, promotional offers
Investors	No	Emails, meetings, and reporting to stock exchanges	Regularly	Providing information

5 PRINCIPLE Businesses Should Respect and Promote Human Rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	2022-2023 Current Financial Year			2021-2022 Previous Financial Year		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total(C)	No. employees workers covered (D)	%(D / C)
Employees						
Permanent	2,269	2,269	100%	1,995	1,995	100%
Other than permanent	0	0	0	0	0	0
Total Employees	2,269	2,269	100%	1,995	1,995	100%

Category	2022-2023 Current Financial Year			2021-2022 Previous Financial Year		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total(C)	No. employees workers covered (D)	%(D / C)
Workers						
Permanent	0	0	0%	0	0	0%
Other than permanent	0	0	0%	0	0	0%
Total Workers	0	0	0%	0	0	0%

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

Category	2022-2023 Current Financial Year					2021-2022 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	2,269	0	-	2,269	100%	1,995	0	-	1,995	100%
Male	2,148	0	-	2,148	100%	1,910	0	-	1,910	100%
Female	121	0	-	121	100%	85	0	-	85	100%
Other than permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female										
Other than permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

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

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)	4	84,14,600	2	1,26,19,800
Executive Directors	2	2,30,41,454	1	2,40,39,600
Non- Executive Directors	2	16,25,000	1	12,00,000
Key Managerial Personnel	4	1,16,54,312	1	2,40,39,600
Employees other than BoD and KMP	2148	2,15,400	121	1,92,000
Workers	-	N.A.	-	N.A.

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 POSH committee is the central authority for addressing human rights impacts, ensuring a safe and inclusive work environment.

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

Upon receipt, all grievances are promptly addressed by the respective Category Heads, Managers, and HR Department. Thorough investigations are conducted, and appropriate actions are taken to resolve issues and complaints effectively. In cases where necessary, disciplinary actions are initiated.

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

	2022-2023 Current Financial Year			2021-2022 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	3	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

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

The POSH committee serves as the pivotal authority in addressing human rights impacts, proactively working towards cultivating a secure and inclusive work environment by actively addressing and preventing any instances of harassment.

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

No

9. Assessments for the year:

	%age of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%
Others – please specify	0%

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

6 PRINCIPLE | Businesses Should Respect and Make Efforts To Protect And Restore The Environment

Essential Indicators

1. Details of total energy consumption (in GigaJoules) and energy intensity, in the following format:

Parameter	2022-2023 (Current Financial Year)	2021-2022 (Previous Financial Year)
Total electricity consumption (A) - in GigaJoules	1,35,566.11	97,378.21
Total fuel consumption (B) - in GigaJoules	14,476.74	12,187.81
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C) - in GigaJoules	1,50,042.85	1,09,566.02
Energy intensity per rupee of turnover (Total energy consumption (GigaJoules)/turnover in rupees (in lakhs))	0.27	0.25
Energy intensity (optional) – the relevant metric may be selected by the entity		

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

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, Performance Achieve Trade Scheme is not applicable for our company.

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

Parameter	2022-2023 (Current Financial Year)	2021-2022 (Previous Financial Year)
Water withdrawal by source (in kilolitres)	-	-
(i) Surface water- in Kiloliters	-	-
(ii) Groundwater- in Kiloliters	-	-
(iii) Third party water- in Kiloliters	2,564.57	1,468.3
(iv) Seawater / desalinated water- in Kiloliters	-	-
(v) Others- in Kiloliters	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**2,564.57**	**1,468.3**
Total volume of water consumption (in kilolitres)	2,564.57	1,468.3
Water intensity per rupee of turnover (Water consumed / turnover (in Lacs))	0.0047	0.0034
Water intensity (optional) – the relevant metric may be selected by the entity		

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

No, Performance Achieve Trade Scheme is not applicable for our company.

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

Parameter	Please specify unit	2022-2023 (Current Financial Year)	2021-2022 (Previous Financial Year)
Nox	-	-	-
Sox	-	-	-
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others– please specify	-	-	-

* Due to our nature of business the other emission are not material for business

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

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	2022-2023 (Current Financial Year)	2021-2022 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	898.89	1,130.06
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	30,495.92	21,910.10
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent per rupees (in Lacs) of turnover	0.058	0.053
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity			

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 emission? If Yes, then provide details.

Indeed, we are actively engaged in a project to reduce our greenhouse gas (GHG) emissions. A key part of our initiative involves substituting traditional, energy-intensive lighting systems with more efficient LED lights. This transition has successfully curbed our energy usage, which in turn has decreased our carbon footprint by lessening emissions. Our commitment to energy conservation is a testament to our concerted efforts to mitigate our environmental impact and lower GHG emissions.

To further curb our reliance on non-renewable energy, we've installed solar panels with a capacity of 18 KW at our outlets. This has not only reduced the fuel consumption of our diesel generators, but also reinforced our commitment to renewable energy. Additionally, we have implemented smart meters to gain a comprehensive understanding of our electricity consumption, thereby enabling more effective energy management.

We've also forged a partnership with the Edge group, with the goal of increasing our use of renewable energy even more by fitting additional solar panels at our outlets. This is another significant stride in our ongoing efforts to embrace green energy and reduce our overall environmental impact.

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

Parameter	2022-2023 (Current Financial Year)	2021-2022 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.6	0.75
E-waste (B)	0.1	0.3
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	12	15
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-

Parameter	2022-2023 (Current Financial Year)	2021-2022 (Previous Financial Year)
Total (A+B + C + D + E + F + G + H)	**12.7**	**16.05**
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	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	12.7	16.05
Total	**12.7**	**16.05**

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.

At our establishment, we have implemented effective waste management practices. We ensure that the waste generated at our offices and shops is appropriately segregated and collected. This process enables us to separate different types of waste such as recyclables, organic waste, and non-recyclables. Once segregated, the waste is then sent to certified vendors and municipal authorities, who are responsible for disposing of it in an environmentally friendly manner. By adhering to these waste management procedures, we actively contribute to reducing the environmental impact associated with waste disposal and promote responsible waste management practices.

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 approvals/ clearances are required, please specify details in the following format:

Location of operations/ offices	Type of operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable		

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
Not Applicable					

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:

Yes

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
We are compliant to all applicable environmental/laws/regulation guidelines in India.			

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	2022-2023 (Current Financial Year)	2021-2022 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	28.69	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	28.69	-
From non-renewable sources		
Total electricity consumption (D)	1,35,537.42	97,378.21
Total fuel consumption (E)	14,476.74	12,187.81
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	1,50,014.16	1,09,566.02

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

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Installation of rooftop solar panels	We have begun the process of installing solar panels at several of our retail outlets. The solar panels installed have a capacity of 18 kilowatts, enabling us to significantly offset our energy consumption with clean, renewable energy	This eco-friendly initiative is set to drastically reduce our energy consumption from non-renewable sources. In addition to decreasing our reliance on traditional electricity, the use of solar panels will also result in a significant reduction in the fuel consumed by our diesel generator sets.
Installing of RO plants	We have installed Reverse Osmosis (RO) systems at our retail outlets. This initiative is designed to substantially decrease our reliance on bottled water. The use of RO systems ensures the availability of safe, purified water at our locations, thereby reducing the need for bottled water consumption.	The implementation of Reverse Osmosis (RO) systems at our retail outlets, a measure set to significantly reduce waste generated from disposable plastic bottles. This decision directly supports our commitment to sustainability, as it drastically decreases the volume of plastic waste entering our ecosystems. Furthermore, by curtailing the need for bottled water, we will indirectly reduce greenhouse gas emissions associated with the transportation of these products.

7 PRINCIPLE | Businesses, When Engaging in Influencing Public and Regulatory Policy, Should Do So In A Manner That Is Responsible And Transparent

Essential Indicators

1.

a.	Number of affiliations with trade and industry chambers/ associations.	0

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)
Not applicable	

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

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

8 PRINCIPLE — Businesses Should Promote Inclusive Growth and Equitable Development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

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
No Social Impact Assessment was undertaken by the entity					

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

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 FY (In INR)
Not Applicable					

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

The Company has established a comprehensive framework comprising various channels to receive and address grievances from the community. Grievances can be submitted through written letters, phone calls, and emails, with contact details prominently displayed on the organisation's websites and stores. The responsible department promptly takes appropriate actions based on the nature of the complaints and grievances to ensure effective resolution.

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

	2022-2023 Current Financial Year	2021-202 Previous Financial Year
Directly sourced from MSMEs/ small producers	100%	100%
Sourced directly from within the district and neighbouring districts	0	0

Leadership Indicators

3.

(a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)**

No, we do not have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups. However, we procure some input material from marginalised/vulnerable groups.

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	TSCS (Thalassemia and Sickle Cell Society)	24	100%
2	Impact (Improving Access to care and Treatment)	4	100%
3	Teach for India	40	100%
4	Sikh Education Society	500	100%
5	Rainbow	3	100%
6	Heal a child	3	100%

9 PRINCIPLE | 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.

We have implemented a dedicated customer service desk at all our stores to efficiently handle and resolve consumer complaints. This desk serves as a designated point of contact for customers to register their complaints and seek assistance.

Our trained staff at the customer service desk not only listen attentively to customers' concerns but also provide support in registering complaints with the brand owner, if necessary. We understand the importance of timely resolution and customer satisfaction, so we facilitate and expedite the complaint resolution process.

By offering this service, we aim to demonstrate our commitment to customer care and ensure that consumers have a seamless experience when it comes to addressing their concerns. We value feedback from our customers and strive to improve our products and services based on their input continuously.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	90%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

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

	2022-2023 (Current Financial Year)		Remarks	2021-2022 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other, Customer grievances	2,352	0	-	1,892	0	-

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

	Number	Reasons for recall
Voluntary recalls	0	N.A.
Forced recalls	0	N.A.

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, we do have policy on cyber security and risk related to data security.

* The Cyber security policy is not hosted on company website.

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 action were required 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.

ANNEXURE 5

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2023.

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
Electronics Mart India Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Electronics Mart India Limited** (hereinafter called the Company). A Secretarial Audit was conducted to provide a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on compliance with the applicable laws and maintenance of records based on the audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's 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 authorised representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023 (hereinafter called the 'Audit Period') 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 made available to us and maintained by the Company for the financial year ended on 31st March 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder.

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.

(iii) The Depositories Act, 1996, and the Regulations and Byelaws framed thereunder.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings; (Not applicable to the Company during the audit period).

(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;

(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, 2009 & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period); **(Not Applicable to the Company during the Audit Period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period).**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period);** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period).**

(i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

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 Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015, and amendments made thereunder. ('Listing Regulations')

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

We further report that having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-a check basis, the Company has generally complied with the law(s) applicable specifically to the Company as mentioned in Annexure -B.

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda, and detailed notes on the agenda were sent at least seven days in advance (except a few meetings were convened at a shorter notice for which necessary approvals were obtained as per applicable provisions), and 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 decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 following events occurred, which had a bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, etc.:

i. The Company has made an Initial Public Offering and has allotted 84,745,762 shares at ₹ 59/- per share on 12th October 2022. The Company has listed its Equity Shares on Main Boards of The National Stock Exchange of India Limited and BSE Limited.

This Report is to be read with our letter of even date, which is annexed as Annexures A and B, which forms an integral part of this report.

For **VSSK & Associates,**
Company Secretaries
CS Vinod Sakaram,
Partner
PCS: 8345
P/R No. 1456/2021
UDIN: A023285E000533784

Place: Hyderabad
Date: 03rd July 2023

ANNEXURE 5 (Contd.)

ANNEXURE A

To,
The Members
Electronics Mart India Limited

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

1. Maintenance of Secretarial records 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 process as appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules, and regulations and the happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of procedure on a 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 **VSSK & Associates,**
Company Secretaries
CS Vinod Sakaram, Partner
PCS: 8345
P/R No. 1456/2021
UDIN: A023285E000533784

Place: Hyderabad
Date: 03rd July 2023

ANNEXURE B

I	**LABOUR AND WORKPLACE RELATED LAWS**
1	Employees Provident Funds & Misc. Provisions Act 1952
2	Employees State Insurance Act, 1948
3	Payment of Bonus Act, 1965
4	Payment of Gratuity Act, 1972
5	Minimum Wages Act, 1948
6	Equal Remuneration Act, 1976
7	Payment of Wages Act, 1936
8	Workmen's Compensation Act, 1923
9	Maternity Benefit Act, 1961
10	Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013
11	Labour Welfare Fund Act, 1952
12	Contract Labour (Regulation & Abolition) Act, 1970
13	Telangana Shops and Establishments Act, 1988
14	Andhra Pradesh Shops and Establishments Act, 1988
15	Delhi Shop and Establishment Act, 1954
16	Haryana Shop and Commercial Establishments Act, 1958
17	Uttar Pradesh Shop and Commercial Establishments Act, 1962
16	Tax on Professions, Trades, Callings, and Employments Act(s)
II	**ECONOMIC & MISC LAWS**
1	Negotiable Instrument Act, 1881
2	Consumer Protection Act, 1986
3	Information Technology Act, 2000
III	**REVENUE LAWS**
1	Income Tax Act, 1961
2	Indian Stamps Act, 1899
3	Indian Contract Act, 1872
4	Good and Services Tax Act, 2017.

For **VSSK & Associates,**
Company Secretaries
CS Vinod Sakaram, Partner
PCS: 8345
P/R No. 1456/2021
UDIN: A023285E000533784

Place: Hyderabad
Date: 03rd July 2023

ANNEXURE 6

DETAILS OF 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

i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the FY 2022-23:

Name of Director/KMP	Designation	Ratio to the median remuneration
Pavan Kumar Bajaj	Managing Director	142 : 1
Karan Bajaj	Chief Executive Officer	155 : 1
Astha Bajaj	Executive Director	97 : 1

*Notes: Sitting fees were paid to Independent Directors for attending the Board and Committees' meeting thereof held during FY 2022-23.

ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the FY 2022-23:

Name of Director/KMP	Designation	% increase in the remuneration
Pavan Kumar Bajaj	Managing Director	-
Karan Bajaj	Chief Executive Officer	-
Astha Bajaj	Executive Director	-
Premchand Devarakonda	Chief Financial Officer	3.26
Rajiv Kumar	Company Secretary	44.64

iii. The percentage increase in the median remuneration of employees for the FY 2022-23 is 9.68%.

iv. The number of permanent employees on the rolls of the company as of 31st March 2023 is 2,274.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

The average increase in salary of the Company's employees other than the managerial personnel was 27.22% in the FY 2022-23. On the other hand, managerial remuneration increased by 3.56%. The total managerial remuneration comprises of remuneration of the Managing Director, Chief Executive Officer and Executive Director. The remuneration to Managerial personnel is approved by the Members under the Companies Act, 2013 provisions, and necessary approvals are being obtained wherever necessary.

vi. The remuneration stated above is in accordance with the company's remuneration policy.

ANNEXURE 7

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

Information on the conservation of energy, technology absorption, and foreign exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, are provided hereunder:

A. CONSERVATION OF ENERGY

(i) the steps taken or impact on the conservation of energy;

Usage of solar panels for electricity consumption. By harnessing the power of solar panels, your Company contributed to a cleaner and greener future.

(ii) the steps taken by the Company for utilising alternate sources of energy;

Your company has started installation of solar panels.

(iii) the capital investment on energy conservation equipment: - NIL

B. TECHNOLOGY ABSORPTION

(i) the efforts made towards technology absorption;

Usage of Smart meters to bring down the net emission to achieve low carbon emission.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution:

Company reducing energy costs by using solar panels.

(iii) in the case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- NIL

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology has been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(iv) the expenditure incurred on Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO- **US $ 82,466.**

INDEPENDENT AUDITOR'S REPORT

To,

The Members of
Electronics Mart India Limited

Report on the Audit of the Standalone Financial Statements

OPINION

1. We have audited the accompanying standalone financial statements of **Electronics Mart India Limited** ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2023, the Statement of Standalone Profit and Loss (including Other Comprehensive Income), the Statement of Standalone Cash Flow and the Statement of Standalone Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTER

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
Revenue recognition – Incentive income: Refer note 2(o) & 2(l) for the accounting policies and note 21 for the relevant disclosures in the accompanying standalone financial statements. The Company has recognised incentive income aggregating to ₹ 2,925.25 million for the year ended 31 March 2023 and has discount and rebate aggregating to ₹ 2,074.23 million on account of purchase of goods. Such incentive income is earned by the Company pursuant to the terms of arrangement with its vendors. Accordingly, the Company is entitled to receive incentives under various schemes which are predominantly linked to multiple variable elements such as volume of purchases, sales achieved during the specified periods on an aggregate basis or for a specified product. Accrual and measurement of such incentives during the reporting period and as at balance sheet date involves significant estimates and management judgment in respect of forecast of expected volume sales and purchases, compliances with other varying terms and conditions of different eligible schemes which is being calculated and tracked by the management based on manual efforts. Considering the significant manual intervention and high degree of judgment involved, we have identified recognition of such incentives as a key audit matter as this involved significant auditor attention for the current year audit.	Our audit procedures included, but were not limited to the following: i) Understood the process followed by the Company to determine the amount of accrual for incentives including the Company's policy for accounting such incentive income. ii) Evaluated the design and implementation and tested operating effectiveness of Company's key manual controls over incentive agreements/ arrangements/schemes including computation of incentive income, its classification between purchase and sales linked income and Company's review over the accounting treatment including accrual of incentive income. iii) Inspected different types of incentive schemes received from the dealers/vendors on a sample basis, to understand the terms and conditions of such schemes and based on such understanding, assessed whether the Company's revenue recognition policies is in accordance with the financial reporting framework of the Company. iv) Performed substantive testing by selecting samples of incentive income recorded during the year as well as period end accruals. This involved testing the eligibility conditions i.e. various parameters used in the computation with the relevant source documents and recomputation of the incentive recognised by the management.

Key Audit Matters	How our audit addressed the key audit matter
	v) Verified the incentive income accounted with the communications received from vendors/dealers where applicable. Obtained independent confirmation on sample basis where deemed necessary for the balances outstanding during the year-end. vi) With respect to incentives accounted based on management estimates, we also examined historical incentive accruals together with our understanding of current year developments to form an expectation of the incentive accrual as at year end and compared this expectation against the actual accruals and held further inquiries with the management and corroborated such inquiries by obtaining underlying documentation, on a sample basis, as appropriate. Further, we also performed retrospective review to evaluate the precision with which management makes estimates including wherever possible the subsequent receipt of such income.
Valuation of inventories: Refer note 2(l) for accounting policies and note 10 for the related disclosures in the accompanying standalone financial statements. As at March 31, 2023, the carrying amount of inventories amounted to ₹ 7,735.34 million after considering allowances for Inventory towards net realizable value ('NRV') and slow moving inventory of ₹ 56.13 million. These inventories are held at the stores and warehouses of the Company. There are judgements required in assessing the appropriate level of allowance for slow moving inventory. Such judgements include management's expectations of forecast inventory demand, product obsolescence and support expected to be received from the respective original equipment manufacturers (OEM's) etc. Further, considering the nature of arrangements wherein various purchase linked incentives are being received by the Company, the same requires adjustments to closing values of inventories, in line with the requirements of accounting policy and such adjustments are carried out manually by the Company. Evaluation of net realizable values of inventory involves evaluation of subsequent sale prices along with assessment of various other incentives being received from the respective OEMs during the subsequent periods which is considered by management in determining the market sales prices. Considering the significance of carrying value of inventories to the overall balance sheet, significant manual efforts by the management to assess the value of closing stock after considering impact of incentives and detailed assessment of provision required relating to net realizable values and the judgements applied for determining the allowance for slow moving inventory, we have identified valuation of the inventories as a key audit matter for current year's audit.	Our audit procedures included, but were not limited to the following: - Understood the process followed by the Company to determine the valuation of closing stock of inventories including allowances for slow moving inventory and towards net realizable values. - Evaluated the design, implementation and tested the operating effectiveness of Company's key manual controls over valuation of inventories including computation of purchase linked incentive adjustments, inventory ageing, provisioning policy and assessment of subsequent incentives received and factored in arriving at the subsequent sales pricing. - Tested the purchases prices of closing stock of inventories on a sample basis and performed recomputation of weighted average cost considered for valuation as at year end. - Inspecting different types of incentive schemes being received for subsequent period and considered by management in NRV assessment on a sample basis. - Examined historical trend of inventory ageing and provisioning towards slow moving inventories together with our understanding of current year developments to form an expectation of the reasonableness of managements provisioning policy and held further inquiries with the management and corroborated such inquiries by obtaining underlying documentation, on a sample basis, as appropriate. - Assessed the Company's disclosures concerning this in Note 3(A) on significant accounting estimates and judgements and Note 10 Inventories to the standalone financial statements

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

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls;

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

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

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

12. 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.

13. 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.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

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

17. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. the Company, as detailed in note 34 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;

iv.

a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 41(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 41(ii) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660
UDIN: 23207660BGYCIK3092

Place: Hyderabad
Date: 26 May 2023

ANNEXURE I REFERRED TO IN PARAGRAPH 16 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF ELECTRONICS MART INDIA LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

ANNEXURE I

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4(a) to the standalone financial statements are held in the name of the Company, except for the immovable properties referred below which were acquired by the Company pursuant to the conversion of partnership firm viz Bajaj Electronics, with effect from 10 September 2018. Management has taken necessary steps and presently in the process of incorporating the Company's name in the title deeds of these immovable properties.

Description of property	Gross carrying value (₹ in million)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Land	16.80	Pavan Kumar Bajaj	Promoter	10 September 2018	Refer note 4(a) of these standalone financial statements.
Buildings	61.63				
Land	50.54	M/s Bajaj Electronics	Erstwhile Partnership Firm		
Buildings	114.97				
Land	127.20	M/s Bajaj Electronics, Pavan Kumar Bajaj, & Karan Bajaj	Erstwhile Partnership Firm & Promoters		
Buildings	88.23				

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.

(b) As disclosed in note 40 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs 5 crore by banks and financial institutions based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and financial institutions and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of investments made, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans granted, guarantees and security provided by it.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (in ₹ million)	Amount paid under Protest (in ₹ million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Goods and Service Tax	Goods and Service Tax	3.43	1.46	1 January 2019 to 30 June 2019	High court, New Delhi	

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) In our opinion and according to the information and explanations given to us, money raised by way of initial public offer were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

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

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

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

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards

Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain

Partner

Membership No.: 207660

UDIN: 23207660BGYCIK3092

Place: Hyderabad

Date: 26 May 2023

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF ELECTRONICS MART INDIA LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

ANNEXURE II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Electronics Mart India Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or

fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to 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 ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660
UDIN: 23207660BGYCIK3092

Place: Hyderabad
Date: 26 May 2023

STANDALONE BALANCE SHEET

AS AT 31ST MARCH 2023

(All amounts in ₹ in Million, unless otherwise stated)

	Notes	As at 31st March 2023	As at 31st March 2022
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	5,098.57	2,794.73
Right-of-use assets	37(c)	6,317.14	5,049.14
Capital work-in-progress	5	138.77	238.44
Other intangible assets	6	5.46	5.58
Financial assets			
- Investments	7	1.10	1.10
- Other non-current financial assets	8(a)	928.58	291.56
Deferred tax assets (net)	29	250.61	176.27
Non-current tax assets	28(c)	20.27	56.56
Other non-current assets	9(a)	99.45	141.15
		12,859.95	**8,754.53**
CURRENT ASSETS			
Inventories	10	7,735.34	6,138.21
Financial assets			
- Trade receivables	11	1,384.12	1,151.65
- Cash and cash equivalents	12	2,007.97	343.79
- Loans	13	11.53	13.13
- Other current financial assets	8(b)	83.41	1.52
Other current assets	9(b)	2,833.40	1,917.21
		14,055.77	**9,565.51**
Total assets		**26,915.72**	**18,320.04**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	3,847.49	3,000.03
Other equity	15	7,996.15	2,965.49
Total equity		**11,843.64**	**5,965.52**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
- Borrowings	16(a)	1,007.54	551.64
- Lease liabilities	37(a)	6,657.22	5,238.55
Provisions	17	17.07	7.04
		7,681.83	**5,797.23**
CURRENT LIABILITIES			
Financial liabilities			
- Borrowings	16(b)	6,263.38	5,384.77
- Lease liabilities	37(a)	389.39	313.22
- Trade payables	18		
- total outstanding dues of micro enterprises and small enterprises		4.97	6.19
- total outstanding dues of creditors other than micro enterprises and small enterprises		241.05	345.60
- Other current financial liabilities	19	235.69	166.57
Other current liabilities	20	121.86	198.02
Provisions	17	106.74	72.32
Current tax liabilities	28(d)	27.17	70.60
		7,390.25	**6,557.29**
Total equity and liabilities		**26,915.72**	**18,320.04**

The accompanying notes form an integral part of these standalone financial statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Directors of
Electronics Mart India Limited

Sanjay Kumar Jain
Partner
Membership No.: 207660

Pavan Kumar Bajaj
Managing Director
DIN: 07899635

Karan Bajaj
Wholetime Director & CEO
DIN: 07899639

Premchand Devarakonda
Chief Financial Officer

Rajiv Kumar
Company Secretary

Place: Hyderabad
Date: 26 May 2023

Place: Hyderabad
Date: 26 May 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts in ₹ in Million, unless otherwise stated)

	Notes	For the year ended 31st March 2023	For the year ended 31st March 2022
REVENUE FROM OPERATIONS	21	54,457.10	43,493.16
Other income	22	110.42	37.51
Total income		**54,567.52**	**43,530.67**
EXPENSES			
Purchases of stock-in-trade		48,647.37	38,878.39
Changes in inventories of stock-in-trade	23	(1,597.13)	(1,324.52)
Employee benefits expense	24	940.45	788.03
Finance costs	25	985.41	846.14
Depreciation and amortisation expense	26	853.79	713.21
Other expenses	27	3,105.58	2,231.73
Total expenses		**52,935.47**	**42,132.98**
Profit before tax		**1,632.05**	**1,397.69**
Tax expense	**28(a)**		
(a) Current tax expense		478.26	419.18
(b) Deferred tax benefit		(74.34)	(60.51)
Profit for the year		**1,228.13**	**1,039.02**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement gain on the defined benefit plans, net of income taxes	24(b)(ii)	3.97	7.02
Total other comprehensive income, net of tax		**3.97**	**7.02**
Total comprehensive income for the year		**1,232.10**	**1,046.04**
EARNINGS PER EQUITY SHARE (EPES):			
Basic and Diluted (in absolute ₹ terms)		3.63	3.46
Weighted average number of equity shares considered for computation of EPES		33,85,44,908	30,00,03,000
Nominal value per equity share (in absolute ₹ terms)		10	10

The accompanying notes form an integral part of these standalone financial statements.

This is the Statement of Standalone Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 26 May 2023

For and on behalf of the Directors of
Electronics Mart India Limited

Pavan Kumar Bajaj
Managing Director
DIN: 07899635

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Wholetime Director & CEO
DIN: 07899639

Premchand Devarakonda
Chief Financial Officer

Rajiv Kumar
Company Secretary

Place: Hyderabad
Date: 26 May 2023

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts in ₹ in Million, unless otherwise stated)

	For the year ended 31st March 2023	For the year ended 31st March 2022
CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	1,632.05	1,397.69
Adjustments to reconcile profit before tax to net cash flows:		
- Depreciation and amortization expense	853.79	713.21
- Provision for employee benefits	13.99	14.07
- Advances written-off	-	3.58
- Insurance Claim on loss of Stock	(8.06)	-
- Gain on de-recognition of right-of-use assets	(13.81)	(2.37)
- Rent concessions	-	(3.67)
- Interest expense	952.76	820.94
- Interest income	(81.36)	(19.96)
Adjustments for working capital :		
Decrease/(Increase) in loans	1.60	(3.59)
Increase in other assets	(916.21)	(16.59)
Increase in inventories	(1,597.13)	(1,324.52)
Increase in trade receivables	(232.47)	(197.73)
Increase in other financial assets	(89.42)	(22.14)
(Decrease)/Increase in trade payables	(105.77)	275.93
Increase/(Decrease) in financial liabilities	87.94	(182.59)
(Decrease)/Increase in other current liabilities and provisions	(39.53)	85.45
Cash generated from operations	**458.37**	**1,537.71**
Income taxes paid, net	(485.40)	(375.83)
Net cash (used in)/ generated from operating activities	**(27.03)**	**1,161.88**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, including intangible assets	(2,371.99)	(609.10)
Security deposits towards right-of-use assets	(94.49)	(69.71)
Movement in other bank balances	(550.19)	(2.87)
Interest received	10.12	3.17
Net cash used in investing activities	**(3,006.55)**	**(678.51)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares, net of issue expenses	4,646.02	-
Repayment of long-term borrowings	(789.22)	(121.57)
Proceeds from long-term borrowings	1,427.80	-
Proceeds from short-term borrowings, net	695.93	578.53
Payment of lease liability	(260.87)	(136.67)
Interest paid	(1,021.90)	(809.69)
Net cash generated from/ (used in) financing activities	**4,697.76**	**(489.40)**

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2023 (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

	For the year ended 31st March 2023	For the year ended 31st March 2022
Net increase/ (decrease) in cash and cash equivalents	1,664.18	(6.03)
Cash and cash equivalents at the beginning of the year	343.79	349.82
Cash and cash equivalents at the year ended	**2,007.97**	**343.79**
Cash and cash equivalents comprise of: (refer note 12)		
Balance with banks		
- on current accounts	307.71	303.67
Cash on hand	22.34	40.12
Deposits with maturity less than 12 months	1,677.92	
	2,007.97	**343.79**

This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 26 May 2023

For and on behalf of the Directors of
Electronics Mart India Limited

Pavan Kumar Bajaj
Managing Director
DIN: 07899635

Karan Bajaj
Wholetime Director & CEO
DIN: 07899639

Premchand Devarakonda
Chief Financial Officer

Rajiv Kumar
Company Secretary

Place: Hyderabad
Date: 26 May 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts in ₹ in Million, except number of equity shares and unless otherwise stated)

(A) EQUITY SHARE CAPITAL

	Number of shares	Amount
Equity shares of ₹10 each issued, subscribed and fully paid		
As at 1st April 2021	30,00,03,000	3,000.03
Issued during the year	-	-
As at 31st March 2022	30,00,03,000	3,000.03
Issued during the year	8,47,45,762	847.46
As at 31st March 2023	**38,47,48,762**	**3,847.49**

(B) OTHER EQUITY

	Reserves and Surplus		Other Comprehensive Income - Actuarial gain/(loss)	Total
	Retained earnings	Securities premium account		
Balance as at 1st April 2021	**1,921.17**	**-**	**(1.72)**	**1,919.45**
Profit for the year	1,039.02	-	-	1,039.02
Other comprehensive income for the year	-	-	7.02	7.02
Balance as at 31st March 2022	**2,960.19**	**-**	**5.30**	**2,965.49**
Profit for the year	1,228.13	-	-	1,228.13
Premium on equity shares issued during the year	-	4,152.54	-	4,152.54
Share issue expenses (refer note 14 a(i))		(353.98)		(353.98)
Other comprehensive income for the year	-		3.97	3.97
Balance as at 31st March 2023	**4,188.32**	**3,798.56**	**9.27**	**7,996.15**

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 26 May 2023

For and on behalf of the Directors of
Electronics Mart India Limited

Pavan Kumar Bajaj
Managing Director
DIN: 07899635

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Premchand Devarakonda
Chief Financial Officer

Rajiv Kumar
Company Secretary

Place: Hyderabad
Date: 26 May 2023

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

(All amounts in ₹ in millions, unless otherwise stated)

1. COMPANY OVERVIEW

Electronics Mart India Limited is a public limited company incorporated under the provisions of the Companies Act, 2013. It was duly converted from a partnership firm, M/s Bajaj Electronics," with effect from 10 September 2018 vide CIN No. U52605TG2018PLC126593. The registered office of the Company is located at D. No.: 6-1-91, Shop No. 10, Ground Floor, Telephone Bhavan, Secretariat Road, Saifabad, Hyderabad, Telangana – 500004 and the corporate office of the Company is located at 6-3-666/A1 to 7, 3rd Floor, Opp. NIMS Hospital, Punjagutta Main Road, Hyderabad, Telangana – 500 082.

The Company is engaged in the business of sale of consumer electronics and durable products through a chain of retail stores located in the states of Telangana, Andhra Pradesh, Delhi NCR and also through the online platform.

These standalone financial statements have been prepared by the Company as a going concern and were approved by the Board of Directors and authorized for issue on 26 May 2023. The functional currency of the Company is 'Indian National Rupee'. All financial information present in Indian rupees have been rounded-off to two decimal places to the nearest million except share data or as otherwise stated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of standalone financial statements

These standalone Financial Statements comprises of Company have been prepared as per the principles of Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. These standalone financial statements comprise the Standalone Balance Sheet as at 31 March 2023, the Statement of Standalone Profit and Loss, the Statement of Standalone Cash Flows and the Statement of Standalone Changes in Equity for the year ended 31 March 2023 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements'). The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following: financial instruments/ financial assets measured at fair value or amortized cost; employee defined benefit assets/ liability recognized as the net total of the fair value of plan assets, and actuarial losses/gains, and the present value of defined benefit obligation.

(b) Use of estimate

The preparation of standalone financial statements requires the management to make accounting estimates, assumptions and judgements that affect the reported amounts of assets and liabilities on the date of standalone financial statements, disclosure of contingent liabilities as at the date of the standalone financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

(c) Operating cycle and current and non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

(All amounts in ₹ in millions, unless otherwise stated)

(d) Fair value measurement

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprise of purchase price, freight, non-refundable taxes and duties and any other cost attributable to bring the asset to its working condition for its intended use. Expenditure directly relating to construction activity is capitalized if the recognition criteria are met. Indirect expenditure is capitalized to the extent those relate to the construction activity or is incidental thereto. All other repair and maintenance costs are recognised in profit or loss as incurred.

Direct expenditure incurred and other attributable costs on projects under construction are treated as expenditure during construction period pending capitalisation and are termed as Capital work-in-progress and shown at cost in the Balance Sheet.

Gain or losses arising from derecognition of an item of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Capital work-in-progress includes cost of property, plant and equipment that are not ready for their intended use.

Capital work-in-progress are not depreciated as these assets are not yet available for use.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment is provided on Straight-Line Method over their estimated useful lives as estimated by management. The details of useful lives as assessed by the management and as prescribed in the Schedule II to the Companies Act, 2013 is as follows:

Particulars	Management estimates (No. of years)	Schedule II (No. of years)
Buildings	60 years	60 years
Plant and equipment	15 years	15 years
Furniture and fixtures	8 years	10 years
Vehicles	8 - 10 years	8 - 10 years
Office equipment	5 years	5 years
Electrical installations and equipment	8 - 10 years	10 years
Computers and data processing units	3 - 6 years	3 - 6 years
Other equipments	15 years	15 years

Leasehold improvements are depreciated on Straight-Line Method over the lease period or the useful lives as determined by management, whichever is lower.

(h) Other intangible assets

Intangible assets in the nature of computer software are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortization of other intangible assets

Intangible assets are amortized on a Straight-Line Method basis over the estimated useful economic life. The intangible assets are amortized over a period of three years from the date when the asset is available for use, as estimated by management. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds three years, the Company amortizes the intangible asset over the best estimate of its useful life.

(i) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

(j) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss ('FVTPL'), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortized cost

Debt instruments at amortized cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Cash and cash equivalents

Cash and cash equivalents represent cash and bank balances and fixed deposits with banks with original maturity of less than three months. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

Trade receivables

Trade receivables are subsequently measured at amortized cost using the effective interest rate (EIR) method.

De-recognition

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for following financial assets and credit risk exposures:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, deposits, trade receivables, commission receivables, other advances and bank balances; and

b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets, and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Financial Liabilities

Initial recognition and measurement

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

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of period which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

De-recognition

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

Offsetting of financial instruments

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

(k) Taxes

Tax expense comprises of 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. Current taxes are recognised in Profit or Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity in which case, the income taxes are recognised in Other Comprehensive Income or directly in equity respectively.

The Company recognises interest levied on income tax as interest expenses.

ii) *Deferred tax*

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(l) Inventories

Inventory is valued at lower of cost and net realizable value.

Cost includes purchase price, duties and taxes (other than those subsequently recoverable by the Company from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. In determining the cost, weighted average cost method is used. The carrying cost of inventories are appropriately written down when there is a decline in the net realisable value of such materials. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(m) Borrowing costs

Borrowing costs consists of interest, ancillary costs and other costs in connection with the borrowing of funds.

Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of the cost of such assets, up to the date such assets are ready for their intended use. Other borrowing costs are charged to the Statement of Profit and Loss.

(n) Provisions and contingencies

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event i.e., it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(o) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Given the nature of business, the period between the transfer of goods and payment by the customer is generally immediate and is less than one year for wholesale sales, accordingly management has determined that there is no adjustments needed to the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

i. the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

ii. the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

iii. the Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue in excess of invoicing are classified as contract asset while collections in excess of revenues are classified as contract liabilities.

Further, at the time of revenue recognition, the entity also determines whether there are any material unsatisfied performance obligations and determines the portion of the aggregate consideration, if any, that needs to be allocated and deferred.

Specifically, the following basis is adopted for various sources of income:

Sale of goods

Revenue from sale of goods comprises the sale of consumer electronics and durables and is recognised at a point in time, on satisfaction of performance obligation upon transfer of control of promised products which generally coincides with delivery. Amounts disclosed as revenue are net of returns, trade allowances, rebates and exclusive of goods and services tax.

Commission and incentives

Revenue in relation to commission and incentives are recognized when the right to receive and performance of agreed contractual task has been completed in accordance with the terms of agreements entered and are linked to sale of goods.

(p) Retirement and other employee benefits

Provident fund and employee state insurance fund are defined contribution schemes and is charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective authorities.

Gratuity is a defined benefit obligation and is provided for on the basis of an actuarial valuation as per the projected unit credit method made at the end of period.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

(q) Leases

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

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

i. Right-of-use assets:

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line Method basis over the balance lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

ii. Lease liabilities:

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

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

iii. Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a Straight-Line Method basis over the lease term.

(r) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(s) Segment reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Company has only one reportable segment namely "retailing and wholesale of electronic household items and accessories through its stores and online platforms". Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer, and the Managing Director, who together constitute as Chief Operating Decision Maker ('CODM').

(t) Dividends

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors.

(u) Earnings per equity share

Basic earnings per equity share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per equity share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3. (A) SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these standalone financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainties at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the standalone financial statements.

Leases

(1) Lease term:

Ind AS 116 require lessees to determine the lease term as the non-cancellable period of lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to termination of the underlying assets and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no change are required to lease period relating to the existing lease contracts.

(2) Discount rate:

The Company cannot readily determine the interest rate implicit in the lease, therefore it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay' which requires elimination when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs such as comparable interest rates for similar instruments and availing a quote from lenders, if required.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Current income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Allowance for slow moving, damaged and obsolete inventory

An allowance for inventory to write down to the lower of cost or net realisable value is made by management based on the estimates of the selling price and direct cost to sell the slow moving/damaged inventory. The write down is included in the operating results.

Life time expected credit loss on trade and other receivables

Trade receivables do not carry any interest and are stated at their transaction value as reduced by life time expected credit losses ("LTECL"). As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. ECL impairment loss allowance (or reversal) for the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head other expenses/other income in the P&L. ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Employee benefits plan

The cost of defined benefit gratuity plan as well as the present value of the gratuity obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, expected rates of return of assets, future salary increase and mortality rates. Due to the complexity of the valuation, the underlying assumptions, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Depreciation on property, plant and equipment:

Depreciation on property, plant and equipment is calculated on a Straight-Line Method basis based on the useful lives estimated by the management. Management has reviewed the useful lives and residual values and assessed that no changes are necessary from the previously estimated useful lives and residual values of the property, plant and equipment.

Incentive Income

Accrual and measurement of Incentive Income involves management judgements and significant estimates in relation to forecast of expected volume of purchases and sales along with evaluation of expected compliances with various terms and conditions of eligible schemes and assessment of reasonable certainty of the scheme targets being met and incentives being realised from the vendors. Accordingly, changes to these estimates would have a considerable impact on the incentive income accruals and realisability.

3. (B) STANDARDS AND RECENT PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE

MCA vide its notification dated 31 March 2023 has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 to further amend the Companies (Indian Accounting Standards) Rules, 2015, which are effective from 1 April 2023. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

(All amounts in ₹ in Million, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical installations and equipment	Computers and data processing units	Leasehold improvements	Other equipments	Total
Gross carrying amount											
As at 1st April 2021	**501.25**	**1,361.03**	**63.93**	**284.57**	**102.28**	**67.26**	**142.57**	**34.37**	**609.23**	**0.01**	**3,166.50**
Additions during the year	2.10	12.83	6.27	36.07	5.33	16.94	22.52	14.90	142.32	-	259.28
As at 31st March 2022	**503.35**	**1,373.86**	**70.20**	**320.64**	**107.61**	**84.20**	**165.09**	**49.27**	**751.55**	**0.01**	**3,425.78**
Additions during the year	1,858.20	213.11	10.19	102.32	16.16	18.14	58.07	11.93	272.14	-	2,560.26
As at 31st March 2023	**2,361.55**	**1,586.97**	**80.39**	**422.96**	**123.77**	**102.34**	**223.16**	**61.20**	**1,023.69**	**0.01**	**5,986.04**
Accumulated depreciation											
Up to 31st March 2021	**-**	**42.83**	**8.47**	**74.75**	**22.51**	**35.46**	**21.70**	**18.48**	**187.65**	**-**	**411.85**
Charge for the year	-	23.42	4.69	40.85	13.34	12.50	17.14	9.93	97.33	-	219.20
Up to 31st March 2022	**-**	**66.25**	**13.16**	**115.60**	**35.85**	**47.96**	**38.84**	**28.41**	**284.98**	**-**	**631.05**
Charge for the year	-	25.28	5.31	43.79	14.73	13.00	22.86	12.16	119.29	-	256.42
Up to 31st March 2023	**-**	**91.53**	**18.47**	**159.39**	**50.58**	**60.96**	**61.70**	**40.57**	**404.27**	**-**	**887.47**
Net carrying amount											
As at 31st March 2023	**2,361.55**	**1,495.44**	**61.92**	**263.57**	**73.19**	**41.38**	**161.46**	**20.63**	**619.43**	**0.01**	**5,098.57**
As at 31st March 2022	**503.35**	**1,307.61**	**57.04**	**205.04**	**71.76**	**36.24**	**126.25**	**20.86**	**466.57**	**0.01**	**2,794.73**

(a) Title deeds of immovable properties not held in the name of the Company
As at 31st March 2023 & 31st March 2022

Relevant line item in the Balance Sheet*	Gross Carrying Value		Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date
	Land	Building			
Property, plant and equipment	16.80	61.63	Pavan Kumar Bajaj	Promoter	10 September 2018
Property, plant and equipment	50.54	114.97	M/s Bajaj Electronics	Erstwhile Partnership Firm	10 September 2018
Property, plant and equipment	127.20	88.23	M/s Bajaj Electronics, Pavan Kumar Bajaj, Karan Bajaj	Erstwhile Partnership Firm & Promoters	10 September 2018
	194.54	**264.83**			

*None of the above mentioned properties are in dispute.

Note: Immovable properties referred above were acquired by the Company pursuant to the conversion of partnership firm viz Bajaj Electronics, with effect from 10 September 2018. Management has taken necessary steps and presently in the process of incorporating the Company's name in the title deeds of these immovable properties.

(All amounts in ₹ in Million, unless otherwise stated)

5 CAPITAL WORK-IN-PROGRESS

	As at 31st March 2023	As at 31st March 2022
Capital work-in-progress	138.77	238.44
	138.77	**238.44**

(a) Details of Preoperative expenditure/expenditure during construction period pending capitalisation

	As at 31st March 2023	As at 31st March 2022
Finance costs	67.37	-
Employee benfits expense	11.76	-
Other expenses		
Travelling expenses	3.02	-
	82.15	**-**
Less: Expenses capitalised during the year	(29.58)	-
	52.57	**-**

(b) Capital work-in-progress (CWIP) ageing schedule

	Amount in CWIP for a year of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress:					
31st March 2023	**119.88**	**18.89**	**-**	**-**	**138.77**
31st March 2022	238.44	-	-	-	238.44

(c) There are no projects temporarily suspended as at 31st March 2023 and 31st March 2022.

(d) The Company has no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan as at 31st March 2023 and 31st March 2022.

6 OTHER INTANGIBLE ASSETS

	Computer Software	Trademarks	Total
Gross carrying amount			
As at 1st April 2021	**26.33**	**1.18**	**27.51**
Additions during the year	1.97	0.03	2.00
As at 31st March 2022	**28.30**	**1.21**	**29.51**
Additions during the year	2.74	0.68	3.42
As at 31st March 2023	**31.04**	**1.89**	**32.93**
Accumulated amortisation			
Up to 31st March 2021	**20.29**	**0.87**	**21.16**
Charge for the year	2.66	0.11	2.77
Up to 31st March 2022	**22.95**	**0.98**	**23.93**
Charge for the year	3.41	0.13	3.54
Up to 31st March 2023	**26.36**	**1.11**	**27.47**
Net carrying amount			
As at 31st March 2023	**4.68**	**0.78**	**5.46**
As at 31st March 2022	**5.35**	**0.23**	**5.58**

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

7 INVESTMENTS

	As at 31st March 2023	As at 31st March 2022
Unquoted		
Investments in equity shares (fully paid-up)		
Investments carried at cost - Subsidiaries (Trade)		
100,000 (31st March 2022: 100,000) shares of ₹ 10 each in Cloudnine Retail Private Limited*	1.00	1.00
10,000 (31st March 2022: 10,000) shares of ₹ 10 each in EMIL CSR Foundation**	0.10	0.10
	1.10	**1.10**
Aggregate amount of Un-Quoted Investments	1.10	1.10

*Represents 100% subsidiary of the Company.

**Represents 100% subsidiary of the Company held for specified purposes.

8 OTHER FINANCIAL ASSETS

		As at 31st March 2023	As at 31st March 2022
(a)	**Non-current**		
	(Unsecured, considered good)		
	Fixed deposits with banks#	547.36	0.30
	Margin money deposits*	78.65	75.52
	Security deposits with:		
	- related party	4.15	3.64
	- others	298.42	212.10
		928.58	**291.56**
(b)	**Current**		
	(Unsecured, considered good)		
	Interest accrued	52.85	1.52
	Other receivables	30.56	-
		83.41	**1.52**

*Represents deposits held as security against loans availed by the Company.

#Represents deposits held with banks towards unutilised amounts received from IPO and earmarked for utilisation towards objects of the IPO after 12 months from the date of balance sheet.

9 OTHER ASSETS

		As at 31st March 2023	As at 31st March 2022
(a)	**Non-current**		
	(Unsecured, considered good)		
	Capital advances	**99.45**	**141.15**
		99.45	**141.15**
(b)	**Current**		
	(Unsecured, considered good)		
	Advances to vendors	1,355.58	732.80
	Balances with government authorities	1,381.54	1,088.89
	Prepaid expenses	61.94	67.80
	Other advances	34.34	27.72
		2,833.40	**1,917.21**

(All amounts in ₹ in Million, unless otherwise stated)

10 INVENTORIES

	As at 31st March 2023	As at 31st March 2022
Valued at the lower of cost or net realisable value		
Stock-in-trade*	7,735.34	6,138.21
	7,735.34	**6,138.21**

*Net of ₹ 56.13 (31st March 2022: ₹ 71.73) representing adjustment towards provision for net realisable value and slow moving inventories.

11 TRADE RECEIVABLES

	As at 31st March 2023	As at 31st March 2022
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	1,388.17	1,163.87
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
	1,388.17	**1,163.87**
Less: Expected Credit Loss	4.05	12.22
	1,384.12	**1,151.65**

(i) There are no dues from Directors or other officers of the Company either severely or jointly with any other person or from firms or private companies in which any director is a partner, a director, or a member.

(ii) Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

(a) Trade receivables ageing schedule

(i) Trade receivables, unscecured, considered good and undisputed:

Particulars	Unbilled dues#	Outstanding from the due date of payment					Less : Expected Credit Loss	Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years		
31st March 2023	1,138.42	224.65	16.18	2.89	3.83	2.20	(4.05)	**1,384.12**
31st March 2022	852.51	288.88	11.64	8.59	1.81	0.44	(12.22)	**1,151.65**

(ii) Trade receivables, which have significant increase in credit risk:

Trade receivables, which have significant increase in credit risk is ₹ Nil as at 31st March 2023 (31st March 2022: ₹ Nil).

(iii) Trade receivables credit impaired:

Trade receivables, credit impaired is ₹ Nil as at 31st March 2023 (31st March 2022: ₹ Nil).

(ii) Trade receivables, disputed:

There are no secured and there are no disputed trade receivables outstanding as at 31st March 2023 and 31st March 2022.

Represents incentive income and commission income accrued as per the agreed terms.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

12 CASH AND BANK BALANCES

	As at 31st March 2023	As at 31st March 2022
Cash and cash equivalents		
Balances with banks		
- on current accounts*	307.71	303.67
Cash on hand	22.34	40.12
Deposits with maturity less than 12 months	1,677.92	-
	2,007.97	**343.79**
Bank balances other than above		
Margin money deposits**	78.65	75.52
Less: Amounts reclassified to other non-current financial assets	(78.65)	(75.52)
	-	-
	2,007.97	**343.79**

* There are no repatriation restrictions with regard to cash and cash equivalents.

**Represents deposits held as a security against loans availed by the Company.

13 LOANS

	As at 31st March 2023	As at 31st March 2022
(Unsecured, considered good)		
Loans to:		
- employees	11.53	13.08
- others	-	0.05
	11.53	**13.13**

Note: There are no dues from Directors or other officers of the Company either severely or jointly with any other person or from firms or private companies in which any director is a partner, a director, or a member.

14 EQUITY SHARE CAPITAL

	As at 31st March 2023		As at 31st March 2022	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹10 each	1,00,00,00,000	10,000.00	1,00,00,00,000	10,000.00
	1,00,00,00,000	**10,000.00**	**1,00,00,00,000**	**10,000.00**
Issued, subscribed and fully paid-up				
Equity shares of ₹10 each	38,47,48,762	3,847.49	30,00,03,000	3,000.03
	38,47,48,762	**3,847.49**	**30,00,03,000**	**3,000.03**

(a) Reconciliation of equity shares outstanding at the beginning and end of the reporting year

	As at 31st March 2023		As at 31st March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10 each				
Balance at the beginning	30,00,03,000	3,000.03	30,00,03,000	3,000.03
Issued during the year (refer note a(i))	8,47,45,762	847.46	-	-
At the end of the reporting year	38,47,48,762	3,847.49	30,00,03,000	3,000.03

(All amounts in ₹ in Million, unless otherwise stated)

(a) (i) **Equity shares issued during the year**

The Board of Directors of the Company had raised funds via fresh issue of equity shares through Initial Public Offering (IPO) of 84,745,762 equity Shares of face value of ₹ 10 each at an issue price of ₹ 59 per equity share. The Company's equity shares were listed on the National Stock Exchange (NSE) and on the BSE Limited (BSE) on 17th October 2022. Consequently, an amount of ₹ 847.46 has been accounted under equity share capital, followed by securities premium to the tune of ₹ 3,798.56, net of share issue expenses amounting to ₹ 353.98.

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% equity shares in the Company

	As at 31st March 2023		As at 31st March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10 each fully paid				
Pavan Kumar Bajaj	15,20,57,999	39.52%	15,20,57,999	50.69%
Karan Bajaj	14,78,78,566	38.44%	14,78,78,566	49.29%

(d) Details of shares issued without payment being received in cash:

During the year ended 31st March 2019, the Company had issued 300,003,000 equity shares of ₹ 10 each fully paid up to the partners of the erstwhile partnership firm M/s. Bajaj Electronics pursuant to conversion of the said firm into the Company.

(e) Shareholding of promoters

For the purpose of reporting of the shareholding of promoters, Mr Pavan Kumar Bajaj and Mr Karan Bajaj has been considered as promoters as defined under the Provisions of the Companies Act, 2013. There was no change in the promoter holding during the year ended 31st March 2022. Further, refer table below for details of changes in promoters share holding during the year ended 31st March 2023 owing to fresh issue of equity shares via IPO as detailed in note 14(a)(i) above.

	As at 31st March 2023		As at 31st March 2022		% Change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of ₹ 10 each fully paid-up					
Pavan Kumar Bajaj	15,20,57,999	39.52%	15,20,57,999	50.69%	(11.16)%
Karan Bajaj	14,78,78,566	38.44%	14,78,78,566	49.29%	(10.86)%

(f) In terms of the requirements of Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the listed entities (except entities listed on Innovators Growth Platform without making a public issue) are required to comply with the minimum public shareholding (MPS) of 25% as specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (SCRR) in the manner as specified by the Securities and Exchange Board of India (SEBI) from time to time and within a period of 3 years from being listed. In accordance with the said requirements, management is evaluating the options available as per the SEBI guidelines and will ensure compliance of the same within the prescribed timelines.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

15 OTHER EQUITY

	As at 31st March 2023	As at 31st March 2022
Retained earnings- Surplus in the statement of profit and loss		
At the beginning of the year	2,960.19	1,921.17
Add: Profit for the year	1,228.13	1,039.02
At the end of the year	**4,188.32**	**2,960.19**
Securities Premium		
At the beginning of the year	-	-
Add: Premium on equity shares issued during the year	4,152.54	-
Less: Share issue expenses (refer note 14 a(i))	(353.98)	-
At the end of the year	**3,798.56**	**-**
Other comprehensive income		
Actuarial gain on employment benefits:		
At the beginning of the year	5.30	(1.72)
Add: Other comprehensive income for the year	3.97	7.02
At the end of the year	**9.27**	**5.30**
	7,996.15	**2,965.49**

Nature and purpose of reserves

(a) Surplus in Statement of Profit and Loss

Surplus in Statement of Profit and Loss represents the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions to shareholders.

(b) Securities Premium

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

(c) Actuarial gain on employment benefits

The reserve represents the remeasurement gains arising from the actuarial valuation of the defined benefit obligations of the Company. The remeasurement gains are recognised in other comprehensive income and accumulated under this reserve within equity. The amounts recognised under this reserve are not reclassified to Statement of Profit and Loss.

16 BORROWINGS

	As at 31st March 2023	As at 31st March 2022
(a) Non-current borrowings		
Secured		
Term loans from		
- Banks (refer note 16(i) and (ii))	996.40	618.82
- Financial institutions (refer note 16(i) and (ii))	261.00	-
	1,257.40	**618.82**
Less: Current maturities of non-current borrowings	(249.86)	(67.18)
	1,007.54	**551.64**
(b) Current borrowings		
Secured, loans repayable on demand		
Working capital loans from:		
-Banks (refer note 16(iii)(1))	3,889.84	2,684.83
- Financial institutions (refer note 16(iii)(2))	995.70	995.80
Current maturities of long-term borrowings	249.86	67.18
	5,135.40	**3,747.81**
Unsecured, loans repayable on demand		
- Banks (refer note 16(iv)(a))	520.06	270.87
- Financial institutions (refer note 16(iv)(b))	607.92	1,366.09
	1,127.98	**1,636.96**
Total current borrowings	**6,263.38**	**5,384.77**

(All amounts in ₹ in Million, unless otherwise stated)

Changes in liabilities arising from financing activities:

The below section sets out an analysis of liabilities arising from financing activities and the movement for the year presented:

	As at 31st March 2023	As at 31st March 2022
Lease liabilities (refer note 37)	7,046.61	5,551.77
Current borrowings	6,013.52	5,317.59
Non-current borrowings	1,257.40	618.82
Interest accrued (refer note 19)	23.00	24.77
Liabilities arising from financing activities	**14,340.53**	**11,512.95**

	Laibilities from financing activities				
	Lease liabilities	Interest accrued	Current borrowings	Non-current borrowings	Total
As at 1st April 2021	**4,199.29**	**13.52**	**4,739.06**	**740.39**	**9,692.26**
Cash inflows/(outflows), net	(136.67)	-	578.53	(121.57)	320.29
Interest expense for the year	462.40	358.54	-	-	820.94
Interest paid during the year	(462.40)	(347.29)	-	-	(809.69)
Other non-cash movements					
- Lease liabilities recognised during the year	1,513.35	-	-	-	1,513.35
- Lease liabilities derecognised during the year	(20.53)	-	-	-	(20.53)
- Rent concessions during the year	(3.67)	-	-	-	(3.67)
As at 31st March 2022	**5,551.77**	**24.77**	**5,317.59**	**618.82**	**11,512.95**
Cash inflows/(outflows), net	(260.87)	-	695.93	638.58	1,073.64
Interest expense for the year	552.65	467.48	-	-	1,020.13
Interest paid during the year	(552.65)	(469.25)	-	-	(1,021.90)
Other non-cash movements					
- Lease liabilities recognised during the year	1,821.21	-	-	-	1,821.21
- Lease liabilities derecognised during the year	(72.38)	-	-	-	(72.38)
- Others	6.88	-	-	-	6.88
As at 31st March 2023	**7,046.61**	**23.00**	**6,013.52**	**1,257.40**	**14,340.53**

(i) Terms and conditions of secured term loans from banks and financial institutions and nature of security:

S. No.	Name	As at		Interest rate (%)		Repayment terms
		31st March 2023	31st March 2022	31st March 2023	31st March 2022	
1	HDFC Bank Limited (HDFC Bank) (refer note a(i))	-	82.74	MCLR* + 0.75% i.e. 8% p.a.	MCLR* + 0.75% i.e. 8% p.a.	Repayable in 84 EMI's starting from 7th August 2021
2	HDFC Bank (refer note a(i))	-	76.05			Repayable in 84 EMI's starting from 7th August 2021
3	HDFC Bank (refer note a(i))	-	88.42			Repayable in 88 EMI's starting from 7th August 2021
4	HDFC Bank (refer note a(i))	-	73.79			Repayable in 90 EMI's starting from 7th August 2021
5	HDFC Bank (refer note a(i))	-	131.60			Repayable in 97 EMI's starting from 7th August 2021
6	HDFC Bank (refer note a(i))	-	114.42			Repayable in 170 EMI's starting from 7th August 2021
7	HDFC Bank (refer note a(i))	-	51.80			Repayable in 63 EMI's starting from 7th August 2021
8	ICICI Bank (refer note a(ii))	431.82	-	MCLR* + 0.65% i.e. 7.90% p.a.	-	Repayable in 22 QEMI's starting from 23rd August 2022
9	ICICI Bank (refer note a(ii))	77.73	-	MCLR* + 0.65% i.e. 8.20% p.a.	-	Repayable in 22 QEMI's starting from 23rd August 2022

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND
OTHER EXPLANATORY INFORMATION (Contd.)
(All amounts in ₹ in Million, unless otherwise stated)

S. No.	Name	As at		Interest rate (%)		Repayment terms
		31st March 2023	31st March 2022	31st March 2023	31st March 2022	
10	ICICI Bank (refer note a(ii))	116.59		MCLR* + 0.65% i.e. 8.40% p.a.		Repayable in 22 QEMI's starting from 23rd August 2022
11	ICICI Bank (refer note a(ii))	204.51		MCLR* + 0.65% i.e. 8.55% p.a.		Repayable in 22 QEMI's starting from 23rd August 2022
12	AXIS Bank (refer note a(ii))	165.75	-	MCLR* + 0.60% i.e. 8% p.a.	-	Repayable in 72 EMI's starting from 31st July 2022
13	Bajaj Finance Limited ('BFL') (refer note a(ii))	261.00	-	Current BFL Floating Reference Rate less Spread i.e. 20.9% - 12.90% p.a.	-	Repayable in 180 EMI's starting from 2nd May 2022
		1,257.40	**618.82**			

Term loan outstanding to the tune of:

(a) (i) ₹ Nil as at 31st March 2023 (31st March 2022: ₹ 618.82) from HDFC Bank is secured:

(I) First exclusive charge on:

- stock and book debts (including credit card receivables) of the Company;
- all the movable property, plant and equipment of the Company; and
- extension of exclusive charge on the current assets.

(II) Mortgage against specific buildings owned by the Company.

(III) Personal guarantee of Pavan Kumar Bajaj, Karan Bajaj and Renu Bajaj.

(a) (ii) ₹ 830.65, ₹ 165.75 and ₹ 261.00 as at 31st March 2023 (31st March 2022: Nil) from ICICI Bank, Axis Bank and BFL, respectively is secured:

(I) By way of mortgage against specific buildings owned by the Company

(II) Personal guarantees of Pavan Kumar Bajaj and Karan Bajaj.

Additionally, loan from ICICI Bank is also secured against exclusive charge on debt service reserve account (DSRA).

Maturity profile of long-term borrowings:

	As at 31st March 2023	As at 31st March 2022
Within 1 year	249.86	67.18
1-2 years	250.40	72.75
2-5 years	528.56	250.82
More than 5 years	228.58	228.07
	1,257.40	**618.82**

(All amounts in ₹ in Million, unless otherwise stated)

(iii) Terms and conditions of working capital loans from banks and financial institution and nature of security:

S. No.	Name	As at 31st March 2023	As at 31st March 2022	Repayment terms	Types of security
1	HDFC Bank Limited ('HDFC')#	3,889.84	2,684.83	Payable on demand	(i) First exclusive charge on: - stock and book debts (including credit card receivables) of the Company; - all the movable property, plant and equipment of the Company; and - extension of exclusive charge on the current assets.
2	Bajaj Finance Limited ('BFL')^	995.70	995.80	Payable on demand	(i) First pari-passu charge with HDFC on: - hypothecation of stocks, book debts and property, plant and equipment; - certain specific buildings pledged with HDFC; and - minimum collateral cover for immovable assets to be maintained at 0.35 times during the tenor of the facility.
		4,885.54	**3,680.63**		

Working capital loans from HDFC carries an interest rate of MCLR*+0.75% p.a.(31st March 2022: MCLR*+0.75% p.a)

*Marginal cost of funds based lending rate.

^ Working capital loans from BFL carries an interest rate of 8% p.a. (31st March 2022: 8% p.a)

Note: The aforementioned working capital loans from banks and financial institution are personally guaranteed by Pavan Kumar Bajaj, Karan Bajaj and Renu Bajaj. Further, the working capital facility availed from HDFC bank is also secured by way of pledge of certain personal properties of Pavan Kumar Bajaj, Karan Bajaj and Renu Bajaj.

(iv) Terms and conditions of unsecured loans

(a) The Company has availed unsecured loans amounting to ₹ 520.06 (31st March 2022: ₹ 270.87) from IDFC First Bank Limited for meeting the working capital requirements carrying an interest rate of 9.50% p.a.(31st March 2022: 9.50% p.a). These amounts are repayable on demand.

(b) The Company has availed unsecured loans amounting to ₹ 607.92 (31st March 2022: ₹ 1,366.09) from Bajaj Finance Limited for meeting the working capital requirements carrying an interest rate of 12.75% p.a. (31st March 2022: 12.75% p.a.) These amounts are repayable on demand.

17 PROVISIONS

	As at 31st March 2023	As at 31st March 2022
Non-current		
Provision for employee benefits		
- Gratuity, funded (refer note 24(b))	17.07	7.04
	17.07	**7.04**
Current		
Provision for sales return	106.74	72.32
	106.74	**72.32**

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

18 TRADE PAYABLES

	As at 31st March 2023	As at 31st March 2022
Trade payables	4.97	6.19
- total outstanding dues of micro enterprises and small enterprises (refer note (b))	241.05	345.60
- total outstanding dues of creditors other than micro enterprises and small enterprises	**246.02**	**351.79**

(a) Trade payables are non-interest bearing and are normally settled based on the agreed payment terms.

(b) The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

		As at 31st March 2023	As at 31st March 2022
(i)	The principal amount remaining unpaid as at the end of the year	4.97	6.19
(ii)	The amount of interest accrued and remaining unpaid at the end of the year	-	-
(iii)	Amount of interest paid by the Company in terms of Section 16, of (MSMED Act 2006) along with the amounts of payments made beyond the appointed date during the year	-	-
(iv)	The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act 2006)	-	-

(c) Trade payables ageing schedule

As at 31st March 2023

Particulars		Outstanding for the following periods from					
		Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	MSME	-	4.97	-	-	-	4.97
ii)	Others	90.88	133.07	11.20	5.90	-	241.05
iii)	Disputed dues-MSME	-	-	-	-	-	-
iv)	Disputed dues-Others	-	-	-	-	-	-
v)	Unbilled dues	-	-	-	-	-	-
Total		**90.88**	**138.04**	**11.20**	**5.90**	**-**	**246.02**

As at 31st March 2022

Particulars		Outstanding for the following periods from					
		Unbilled dues	Less than 1 year	1-2 years	2-3 years	Morethan 3 years	Total
i)	MSME	-	6.19	-	-	-	6.19
ii)	Others	68.10	271.21	6.29	-	-	345.60
iii)	Disputed dues-MSME	-	-	-	-	-	-
iv)	Disputed dues-Others	-	-	-	-	-	-
v)	Unbilled dues	-	-	-	-	-	-
Total		**68.10**	**277.40**	**6.29**	**-**	**-**	**351.79**

19 OTHER FINANCIAL LIABILITIES

	As at 31st March 2023	As at 31st March 2022
At amortised cost		
Interest accrued	23.00	24.77
Creditors for capital expenditure	8.00	25.05
Creditors for expenses	84.78	3.50
Dues to employees	119.91	113.25
	235.69	**166.57**

(All amounts in ₹ in Million, unless otherwise stated)

20 OTHER CURRENT LIABILITIES

	As at 31st March 2023	As at 31st March 2022
Statutory liabilities	37.06	35.11
Provision for Corporate Social Responsibility expenditure	-	24.96
Revenue received in advance (refer (a) below)	84.80	137.95
	121.86	**198.02**

(a) Movement in the Contract Liabilities during the year is as under. Total contract liabilities outstanding as on 31 March 2023 will be recognised in next 12 months.

	As at 31st March 2023	As at 31st March 2022
Opening Balance	137.95	113.32
Add : Advance received during the year	1,061.83	944.74
Less : Revenue recognised during the year	(1,044.63)	(864.88)
Less : Other Adjustments during the year	(70.35)	(55.23)
	84.80	**137.95**

21 REVENUE FROM OPERATIONS

	For the year ended 31st March 2023	For the year ended 31st March 2022
Revenue from contracts with customers		
Sale of products - Consumer electronics and durables	50,899.60	40,858.48
Other operating revenue:		
- Commission income	632.25	497.85
- Incentives income	2,925.25	2,136.83
	54,457.10	**43,493.16**

(i) Reconciliation of revenue from sale of products with the contracted price:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Revenue at contracted price	52,059.07	41,815.66
Less: Sales returns	1,159.47	957.18
Total revenue from contracts with customers	**50,899.60**	**40,858.48**

(ii) Disaggregation of revenues:

Revenue based on type of customer

	For the year ended 31st March 2023	For the year ended 31st March 2022
- Retail	50,095.13	39,816.54
- Wholesalers	565.79	642.35
- E-commerce	238.68	399.59
Total revenue from contracts with customers	**50,899.60**	**40,858.48**

(iii) The Company has operations only in India, hence there are no separately reportable geographical segments.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

22 OTHER INCOME

	For the year ended 31st March 2023	For the year ended 31st March 2022
Other non-operating income:		
(i) Interest income on:		
- Bank deposits	61.45	3.03
- Security deposits	19.91	16.93
(ii) Rent concessions	-	3.67
(ii) Miscellaneous income	21.00	13.88
(iv) Insurance claim on Loss of Stock	8.06	-
	110.42	**37.51**

23 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

	For the year ended 31st March 2023	For the year ended 31st March 2022
Stock-in-trade at the beginning of the year	6,138.21	4,813.69
Less: Stock-in-trade at the end of the year	7,735.34	6,138.21
	(1,597.13)	**(1,324.52)**

24 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries and wages	865.67	711.28
Contribution to provident and other funds (refer note a)	43.20	37.43
Gratuity and compensated absences (refer note b)	13.99	14.07
Staff welfare expenses	29.35	25.25
	952.21	788.03
Less: Amount transferred to capital work-in-progress	11.76	-
	940.45	**788.03**

(a) Defined contribution plan

The Company contributed ₹ 36.06 (31st March 2022: ₹ 30.83) to provident fund and ₹ 7.14 (31st March 2022: ₹ 6.60) towards employee state insurance fund during the year ended 31st March 2023.

(b) Defined benefit plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age.

(i) The amounts recognised in the statement of profit and loss are as follows:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Current service cost	13.48	12.67
Net interest cost (net of interest on plan assets)	0.51	1.40
Total amount recognised in the statement of profit and loss	**13.99**	**14.07**

(All amounts in ₹ in Million, unless otherwise stated)

(ii) The amounts recognised in the other comprehensive income are as follows:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Actuarial gains	(3.97)	(7.02)
Total amount recognised in the other comprehensive income	**(3.97)**	**(7.02)**

(iii) Changes in present value of defined benefit obligation:

	As at 31st March 2023	As at 31st March 2022
Present value of defined benefit obligation at beginning of the year	57.63	48.91
Current service cost	13.48	12.67
Interest cost	3.78	3.80
Benefits paid	(2.37)	(0.73)
Re-measurement of actuarial (gains) / losses on obligation	(3.97)	(7.02)
Present value of defined benefit obligation at end of the year	**68.55**	**57.63**

(iv) The fair value of defined benefit plan assets estimated as at:

	As at 31st March 2023	As at 31st March 2022
Fair value of plan assets at the beginning of the year	50.59	28.40
Less: Benefits Paid	(2.37)	(0.73)
Add: Contributions made	-	20.51
Add: Interest income	3.27	2.41
Fair value of plan assets at the end of the year	**51.48**	**50.59**

(v) Reconciliation of present value of obligation and the fair value of plan assets:

	As at 31st March 2023	As at 31st March 2022
Present value of defined benefit obligation at end of the year	68.55	57.63
Fair value of plan assets at the end of the year	51.48	50.59
Net liability recognised in the balance sheet	17.07	7.04

(vi) The assumptions used in accounting for the gratuity plan are set out as below:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Discount rate	7.45%	7.30%
Retirement age	58 years	58 years
Salary escalation	8.00%	8.00%
Attrition rate	3.45%	3.26%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

The estimates of future salary increase considered in actuarial valuation take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. The Company evaluates these assumptions annually based on its long-term plans of growth and industry standards.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)
(All amounts in ₹ in Million, unless otherwise stated)

(vii) Impact on defined benefit obligation - (decrease)/increase

	As at 31st March 2023	As at 31st March 2022
Assumptions		
Sensitivity level		
- Discount rate : 1.00% increase	(7.98)	(7.08)
- Discount rate : 1.00% decrease	9.66	8.60
- Future salary : 1.00% increase	8.96	7.98
- Future salary : 1.00% decrease	(7.62)	(6.75)
- Attrition rate : 50.00% increase	(0.68)	(0.80)
- Attrition rate : 50.00% decrease	0.78	0.93
- Mortality rate : 10.00% increase	(0.01)	-
- Mortality rate : 10.00% decrease	-	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

(viii) Defined benefit liability and employer contributions

The following contributions and expected undiscounted future benefit payments are expected:

	As at 31st March 2023	As at 31st March 2022
Expected future benefit payments		
Within 1 year	4.43	2.23
2 - 5 years	14.30	12.89
6 - 10 years	21.56	17.27
Beyond 10 years	186.16	163.71

25 FINANCE COSTS

	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest expense on:		
- Financial liabilities measured at amortised cost	467.48	358.54
- Lease liabilities	552.65	462.40
Other borrowing costs	32.65	25.20
	1,052.78	**846.14**
Less: Amount transferred to capital work-in-progress (note (i))	67.37	-
	985.41	**846.14**

Note:

(i) The capitalisation rate used to determine the amount of borrowing costs transferred to capital work-in-progress is the weighted average interest rate applicable to the entity's general borrowings ranging between 8.50% p.a. to 11.00% p.a.

26 DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation/ amortisation on:		
- Tangible Assets (Refer Note 4)	256.42	219.20
- Intangible Assets (Refer Note 6)	3.54	2.77
- Right of use assets (Refer Note 37)	593.83	491.24
	853.79	**713.21**

(All amounts in ₹ in Million, unless otherwise stated)

27 OTHER EXPENSES

	For the year ended 31st March 2023	For the year ended 31st March 2022
Rent	11.35	4.61
Power and fuel	319.57	232.23
Rates and taxes	40.31	65.10
Insurance	10.31	10.63
Repairs and maintenance:		
- Buildings	344.00	247.63
- Others	60.97	53.44
Advertisement expenses	504.45	341.30
Business promotion expenses	102.79	43.99
Carriage outwards	27.37	20.26
Commission expenses	107.73	80.63
Communication expenses	28.93	13.45
Sales promotion expenses	1,415.55	1,018.10
Travelling and conveyance	24.00	9.89
Postage and courier charges	13.93	6.91
Printing and stationery	24.62	20.55
Professional and consultancy charges	19.68	13.81
Payments to auditor:		
- As auditor*	4.90	3.50
- For other services	0.10	-
- Out of pocket expenses	0.12	-
Water charges	12.82	7.34
Bad debts written-off	-	-
Advances written-off	-	3.58
Director's Sitting fee	4.60	1.79
Donations	0.10	1.89
Corporate social responsibility (refer note (a) below)	22.63	18.33
Miscellaneous expenses	7.77	12.77
	3,108.60	**2,231.73**
Less: Amount transferred to capital work-in-progress	3.02	-
	3,105.58	**2,231.73**

*excluding audit and certification fees amounting to ₹ 5.40 which have been adjusted against securities premium for the year ended 31st March 2023. Further audit fees amounting to ₹ 12.87 transferred to prepaid expenses for the year ended 31st March 2022.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

(a) Details of CSR expenditure

		For the year ended 31st March 2023	For the year ended 31st March 2022
a.	Gross amount required to be spent by the Company during the year	22.63	18.33
b.	Amount spent during the year on:		
	(i) Construction/acquisition of any asset	2.12	4.58
	(ii) On purposes other than (i) above	45.47	0.60
c.	Shortfall at the end of the year	(24.96)	13.15
d.	Total of previous years shortfall	24.96	11.81
e.	Details of related party transactions	NA	NA
f.	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	NA
g.	Reason for shortfall:		
	For the year ended 31st March 2023 and 31st March 2022: The Company was in the process of identifying prospective project as per schedule VII of the Companies Act, 2013.		
h.	Nature of CSR activities undertaken by the Company.:		
	(i) Healthcare support		
	(ii) Education		
	(iii) Rural development		

Note: Duly accrued in accordance with the accounting principles

28 INCOME TAXES

(a) Income tax expense recognised in the statement of profit and loss

	For the year ended 31st March 2023	For the year ended 31st March 2022
Statement of profit and loss		
Current tax expense	478.26	419.18
Deferred tax benefit	(74.34)	(60.51)
	403.92	**358.67**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31st March 2023 and 31st March 2022:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax	1,632.05	1,397.69
At India's statutory income tax rate of 25.168% (31st March 2022: 25.168%)	410.75	351.77
Reconciling items:		
Permanent disallowances	6.83	6.13
Deduction for IPO expenses	(17.82)	-
Benefit under 80JJAA	(0.49)	(1.90)
Others	4.65	2.67
At the effective income tax rates	**403.92**	**358.67**

(c) Non-current tax assets

	As at 31st March 2023	As at 31st March 2022
Non-current tax assets	20.27	56.56

(d) Current tax liabilities

	As at 31st March 2023	As at 31st March 2022
Current tax liabilities	27.17	70.60

(All amounts in ₹ in Million, unless otherwise stated)

29 DEFERRED TAX ASSETS, NET

	As at 31st March 2023	As at 31st March 2022
The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are as follows:		
Deferred tax assets/(liabilities):		
Property, plant and equipment	(43.36)	(36.21)
Right-of-use assets	(1,589.90)	(1,270.77)
Lease liability	1,773.49	1,383.60
Statutory liabilities	4.34	1.78
Fair valuation of security deposits	83.97	70.85
Employee payables	7.94	8.95
Other temporary tax differences	14.13	18.07
Deferred tax assets, net	**250.61**	**176.27**

(a) Reconciliation of deferred tax assets/(liabilities) at the beginning and end of the year:

	As at 1st April 2021	(Charged)/ credited to profit or loss	As at 31st March 2022	(Charged)/ credited to profit or loss	As at 31st March 2023
Property, plant and equipment	(29.79)	6.42	(36.21)	7.15	(43.36)
Right-of-use assets	(1,000.55)	270.22	(1,270.77)	319.13	(1,589.90)
Lease liability	1,056.88	(326.72)	1,383.60	(389.89)	1,773.49
Statutory liabilities	5.14	3.36	1.78	(2.56)	4.34
Fair valuation of security deposits	60.61	(10.24)	70.85	(13.12)	83.97
Employee payables	6.35	(2.60)	8.95	1.01	7.94
Other temporary tax differences	17.12	(0.95)	18.07	3.94	14.13
	115.76	**(60.51)**	**176.27**	**(74.34)**	**250.61**

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

30 FAIR VALUE MEASUREMENTS

(i) Break-up of financial assets and financial liabilities carried at FVTPL/FVTOCI or amortised cost:

	As at 31st March 2023		As at 31st March 2022	
	FVTPL / FVTOCI	Amortised cost	FVTPL / FVTOCI	Amortised cost
Financial assets				
Trade receivables	-	1,384.12	-	1,151.65
Cash and bank balances	-	2,633.98	-	419.61
Loans	-	11.53	-	13.13
Other financial assets	-	385.98	-	217.26
Financial liabilities				
Non-current borrowings (including current maturities of non-current borrowings)	-	1,257.40	-	618.82
Current borrowings	-	6,013.52	-	5,317.59
Lease liability	-	7,046.61	-	5,551.77
Trade payables	-	246.02	-	351.79
Other financial liabilities	-	235.69	-	166.57

(All amounts in ₹ in Million, unless otherwise stated)

(ii) The management assessed that cash and bank balances, trade receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(iii) In respect of fixed rate financial Liabilities, the management has assessed the carrying value of these liabilities approximates to the fair value mainly since the same are short term borrowings which are repayable on demand. Further, disclosure fair value of Lease liabilities are not presented in line with the requirements of Para 29(d) of IND AS 107. In respect of the balance of non-current financial assets and liabilities in the nature of loans and borrowings, the management has assessed the carrying value of these assets and liabilities approximates to the fair value mainly due to the interest rates are at the market rate or linked to market rate, as the case maybe.

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors is responsible for overseeing the Company's risk assessment and management policies and processes.

(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 for the Company comprises primarily of interest risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analysis in the following sections relate to the position as at 31 March 2023.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets.

The following assumptions have been made in calculating the sensitivity analysis:

(1) The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's variable rate borrowing is subject to interest rate risk. Below is the details of exposure to variable rate instruments:

Particulars	31st March 2023	31st March 2022
Fixed rate instruments		
Financial liabilities	2,123.68	2,632.76
Variable rate instruments		
Financial liabilities	**5,147.24**	**3,303.65**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax (PBT) is affected through the impact on floating rate borrowings, as follows:

Particulars	31st March 2023	31st March 2022
Interest rates increase by 100bps - PBT decreases by	51.47	33.04
Interest rates decrease by 100bps - PBT increases by	(51.47)	(33.04)

* Holding all other variables constant.

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments when a counterparty defaults on its obligations. The Company's exposure to credit risk arises primarily from loans extended, security deposits, balances with bankers and trade and other receivables. The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The credit risk has always been managed by the Company through credit approvals, establishing credit limits, and continuously monitoring the credit worthiness of the customers to whom the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored.

Exposure to credit risk:

At the end of the reporting year, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

(All amounts in ₹ in Million, unless otherwise stated)

Credit risk concentration profile:

At the end of the reporting year, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

Financial assets that are neither past due nor impaired:

None of the Company's cash and bank balances, loans, security deposits were past due or impaired as at 31st March 2023. Trade and other receivables including's loans that are neither past due nor impaired are from various individual customers and reputed financial institutions.

Financial assets that are either past due or impaired:

The Company doesn't have any significant trade receivables or other financial assets which are either past due or impaired. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also evaluates the factors that may influence the credit risk of its customer base, including the default risk. The management has established a credit policy, procedures and controls relating to customer credit risk management under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's receivables turnover is quick and historically, there was no significant default on account of trade and other receivables. An impairment analysis is performed at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's finance team in accordance with the Company's policy. Investments of surplus funds are made only with approved and reputed banks and within credit limits assigned to each bank. The amounts invested and details of relevant banks are reviewed by the Company's Board of directors on annual basis.

(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, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Company in accordance with practice and limits set by the management.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	As at 31st March 2023	As at 31st March 2022
Less than 1 year		
- Borrowings	6,263.38	5,384.77
- Trade payables	246.02	351.79
- Lease liability	953.67	757.24
- Other financial liabilities	235.69	166.57
1 to 2 years		
- Borrowings	250.40	72.75
- Lease liability	949.32	760.54
2 to 5 years		
- Borrowings	528.56	250.82
- Lease liability	2,838.09	2,250.64
More than 5 years		
- Borrowings	228.58	228.07
- Lease liability	7,228.64	5,817.52

(d) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)
(All amounts in ₹ in Million, unless otherwise stated)

32 CAPITAL MANAGEMENT

Capital includes equity and all other reserves attributable to share holders. The primary objective of the capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise share holders value. The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements.

The Company monitors capital using a gearing ratio, which is net debt divided by equity plus net debt.

The Company includes within net debt, interest bearing loans and borrowings, less cash and bank balances.

The Group includes within net debt, interest bearing loans and borrowings, less cash and bank balances.

Net gearing ratio:

	As at 31st March 2023	As at 31st March 2022
Borrowings*	7,270.92	5,936.41
Less: Cash and bank balances excluding earmarked balances from IPO proceeds towards capital expenditure	1,668.75	419.61
Net debt	**5,602.17**	**5,516.80**
Equity	3,847.49	3,000.03
Other equity	7,996.15	2,965.49
Total equity	**11,843.64**	**5,965.52**
Total net debt and equity	**17,445.81**	**11,482.32**
Gearing ratio	**32.11%**	**48.05%**

*Total borrowings include non-current borrowings and current borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing for the year ended 31st March 2023.

There have been no changes made in the objectives, policies or processes for managing capital during the year ended 31st March 2023.

33 SEGMENT REPORTING

In accordance with Indian Accounting Standard (Ind AS) 108 on "Operating Segments", segment information has been disclosed in the consolidated financial statements of the Company, and therefore no separate disclosure on segment information is given in these financial statements..

34 CONTINGENT LIABILITIES

	As at 31st March 2023	As at 31st March 2022
(i) Claims against the Company not acknowledged as debts	10.84	12.34

Note: The Company has received an order from the National Anti-Profiteering Authority of the Central Goods and Services Tax Act, 2017 demanding an amount of ₹ 3.43 alleging certain non-compliances with the anti-profiteering regulations of the Goods and Services Act, 2017. The management has filed necessary appeals in this regard with the appropriate appellate authorities which is pending for adjudication as at the date of the standalone financial statements. However, on the basis of its internal assessment of the nature of the allegations, the facts of the case and an independent advise received in this regard, management is confident of resolving this matter in favour of the Company.

35 CAPITAL AND OTHER COMMITMENTS

	As at 31st March 2023	As at 31st March 2022
Capital commitments	473.11	**1,281.95**

(All amounts in ₹ in Million, unless otherwise stated)

36 RELATED PARTY DISCLOSURES

(a) Names of related parties and nature of relationship

Names of the related parties	Nature of relationship
Cloudnine Retail Private Limited	Subsidiary Company
EMIL CSR Foundation	
Pavan Kumar Bajaj	Key managerial personnel ('KMP')
Karan Bajaj	
Astha Bajaj	
Premchand Devarakonda	
Rajiv Kumar	
Prem Bajaj	Relatives of KMP
Renu Bajaj	
Kanwal Bajaj (Joined w.e.f 1st January 2023)	
Seema Narula	
Anil Rajendra Nath	Independent Directors
Mirza Ghulam Muhammad Baig	
Suman Kumar (Resigned w.e.f 6th May 2022)	
Jyotsna Angara (Joined w.e.f 14th May 2022)	

(b) Transactions with related parties

	For the year ended 31st March 2023	For the year ended 31st March 2022
Rent paid		
Pavan Kumar Bajaj	14.42	12.70
Karan Bajaj	1.14	1.01
Renu Bajaj	1.01	0.89
Seema Narula	2.28	1.52
Transactions with key management personnel		
Managerial Remuneration*# (Short-term employee benefits)	99.44	98.55
Remuneration*		
Prem Bajaj	2.49	2.57
Kanwal Bajaj	0.60	-
Cloudnine Retail Private Limited		
Advance given	0.15	-
EMIL CSR Foundation		
Donation paid	26.26	-
Director's sitting fees		
Mirza Ghulam Muhammad Baig	1.75	0.68
Anil Rajendra Nath	1.50	0.63
Jyotsna Angara	1.25	-
Suman Kumar	0.10	0.49

*Excluding employer's contribution to defined contribution plans and provision made for defined benefit plans.

#Includes medical expense reimbursement amounting to ₹ 18.11 for the year ended 31st March 2023 (31st March 2022 :₹ 12.36)

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

(c) Balances receivable/(payable)

	As at 31st March 2023	As at 31st March 2022
Karan Bajaj (including security deposit receivable of ₹ 0.83)	(1.42)	(1.42)
Pavan Kumar Bajaj (including security deposit receivable of ₹ 10.45)	7.32	7.32
Renu Bajaj (including security deposit receivable of ₹ 0.74)	0.59	0.59
Astha Bajaj	(1.25)	(1.25)
Prem Bajaj	(0.21)	(0.21)
Premchand Devarakonda	(0.81)	(0.67)
Rajiv Kumar	(0.29)	(0.16)
Kanwal Bajaj	(0.20)	-
Seema Narula	(0.17)	(0.17)

(d) (i) All the secured non-current borrowings amounting to ₹ Nil (31st March 2022: ₹ 618.82) and current borrowings from HDFC Bank Limited amounting to ₹ 3,889.84 (31st March 2022: ₹ 2,684.83), have been personally guaranteed by Pavan Kumar Bajaj, Karan Bajaj and Renu Bajaj.

(ii) The working capital facility from HDFC bank is also secured by way of pledge of certain personal properties of Pavan Kumar Bajaj, Karan Bajaj and Renu Bajaj.

(iii) All secured current borrowings from Bajaj Finance Limited amounting to ₹ 995.70 (31st March 2022: ₹ 995.80), have been personally guaranteed by Pavan Kumar Bajaj and Karan Bajaj.

(iv) All the secured non-current borrowings from ICICI bank, Axis bank and Bajaj finance Limited amounting to ₹ 1,257.40 (31st March 2022: ₹ Nil), have been personally guaranteed by Pavan Kumar Bajaj and Karan Bajaj

(e) 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. The settlement for these balances occurs through payment. There have been no guarantees provided or received for any related party receivables or payables. The assessment of Impairment of receivables relating to amount owed by related parties is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

37 LEASES

(a) The movement in lease liabilities during the year ended 31st March 2023 is as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	5,551.77	4,199.29
Add: Additions during the year	1,821.21	1,487.85
Add: Impact of reassessment of lease liability for the year	6.88	25.50
Add: Interest accrued during the year	552.65	462.40
Less: Payment of lease liabilities	813.52	599.07
Less: Rent concessions during the year	-	3.67
Less: De-recognised during the year	72.38	20.53
Balance at the end of the year	**7,046.61**	**5,551.77**

Bifurcation of lease liability as on :

Current lease liabilities	389.39	313.22
Non-current lease liabilities	6,657.22	5,238.55
	7,046.61	**5,551.77**

(b) The details of the contractual maturities of lease liabilities as at respective year ended on an undiscounted basis are as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Less than one year	953.67	757.24
One to five years	3,787.41	3,011.18
More than five years	7,228.64	5,817.52
Total	**11,969.72**	**9,585.94**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(All amounts in ₹ in Million, unless otherwise stated)

Rental expense recorded for short-term leases was ₹ 7.73 (31st March 2022: ₹ 1.00) for the year ended 31st March 2023.

The future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities are -

1) Leases not yet commenced to which the Company is committed amounts to 31st March 2023: ₹ 71.78 (31st March 2022: ₹ 139.59).
2) Variable lease payments based on sales amounts to 31st March 2023: ₹ 3.62 (31st March 2022: ₹ 3.61).

(c) The movement in right-of-use asset during the year ended is as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	5,049.14	3,975.47
Add: Additions during the year	1,915.70	1,557.56
Add: Impact of reassessment of lease liability	4.76	25.50
Less: Depreciation expense accrued during the year	593.83	491.24
Less: De-recognised during the year	58.63	18.15
Balance at the end of the year	**6,317.14**	**5,049.14**

38 RATIOS AS PER SCHEDULE III REQUIREMENTS

Particulars	31st March 2023	31st March 2022	Change in %
(a) Current ratio = Current assets / Current liabilities	1.90	1.46	30.38%
(b) Debt Equity ratio = Total borrowings / Total equity	0.61	1.00	-38.31%
(c) Debt service coverage ratio = (Profit after tax + Finance cost + Depreciation) / (Finance cost + Total Current borrowings) @	0.29	0.28	3.03%
(d) Return on equity ratio / return on investment ratio = Net Profit after tax divided by average equity	0.14	0.19	-27.76%
(e) Inventory turnover ratio = Cost of goods sold divided by Average Inventory *	6.78	6.86	-1.10%
(f) Trade receivables turnover ratio = Revenue from operations divided by average Trade receivables	42.95	41.31	3.97%
(g) Trade payables turnover ratio = Purchases divided by Average Trade payables	162.75	181.82	-10.49%
(h) Net capital turnover ratio = Revenue from operations divided by (Current Assets less Current Liabilities)	8.17	14.46	-43.49%
(i) Net profit ratio = Net profit after tax divided by Revenue from operations	2.26%	2.39%	-5.60%
(j) Return on Capital employed = (Earnings before Finance cost, other income and income taxes) divided by average Capital employed #	14.86%	18.87%	-21.26%

@ Excludes interest and depreciation on right-of-use assets and related liabilities.

* Cost of goods sold includes purchases of stock-in-trade and changes in inventories of stock-in-trade.

capital employed = Total assets - Current liabilities.

Note: Reasons for change in % by more than 25% is as under

(i) Principal reason for change in Debt Equity ratio, Return on equity ratio / return on investment ratio is attributed to issue of Equity shares during the year ended 31 March 2023.

(ii) Principal reason for change in Current ratio and Net capital turnover ratio is attributed to increase in Fixed deposits invested out of proceeds from issue of Equity Shares during the year ended 31 March 2023.

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SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND
OTHER EXPLANATORY INFORMATION (Contd.)
(All amounts in ₹ in Million, unless otherwise stated)

39 DISCLOSURE OF RELATIONSHIP WITH STRUCK OFF COMPANIES

Details of transactions entered into by the Company with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 are as follows:

Name of struck off Company	Nature of transactions	As at 31st March 2023	As at 31st March 2022	Relationship with the struck off company, if any, to be disclosed
VLN Sun Broad Band (India) Private Limited	Payables	(0.02)	(0.02)	None
Sun Enterprises Private Limited	Payables	-	-	None
Vardhaman Enterprises Limited	Payables	(0.01)	(1.07)	None

40 DISCLOSURES PURSUANT TO THE REQUIREMENT AS SPECIFIED UNDER PARAGRAPH 6(L)(IX)(A) AND (B) OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF BALANCE SHEET OF SCHEDULE III TO THE ACT:

For the purpose of reporting under this clause, management has provided disclosures only with respect to information on trade receivables, inventories and net advances [advances to vendors less trade payable] furnished to the lenders. The details of disagreement between current assets as furnished to the lenders and as per books as disclosed below, mainly attributed to the use of estimated information prior to completion of all the book closure activities such as accrual of incentives, valuation of inventories, recording cut-off related adjustments etc. In order to avoid such differences, management has sought and obtained extention of due date by 7 days to provide relevant and accurate current assets details to the bankers with effect from the quarter ended 31 December 2021. Further, No differences were noted in the quarterly returns or statements of current assets filed by the Company with banks or financial institutions upon comparision with the books of accounts during the year ended 31 March 2023.

For the year ended 31 March 2022:

Quarter ended	Particulars	Amount as per Books	Amount as reported to the lenders	(Excess)/ Short
30 September 2021	Inventories	5,974.52	6,792.69	(818.17)
	Trade Receivables	785.44	424.21	361.23
	Net advances	498.31	288.25	210.06
30 June 2021	Inventories	4,559.19	4,554.34	4.85
	Trade Receivables	814.38	184.17	630.21
	Net advances	254.59	3,239.56	(2,984.97)

Note: The above details were also furnished to HDFC Bank Limited and Bajaj Finance Limited, for the quarters ended 30 June 2021 and 30 September 2021.

41 (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(ii) The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries..

(All amounts in ₹ in Million, unless otherwise stated)

42 Previous year's figures have been regrouped/ rearranged, wherever necessary, in order to conform to current year's presentation. Refer table below for the nature of reclassification, amount reclassified and reason for such reclassification.

Nature of the reclassification	Amount	Reasons for Such change
(a) Provision for Sales return which were earlier net off against Trade receivables have been now grouped under to Short term provisions	72.32	The same have been regrouped to conform to current year's presentation.
(b) Creditors for Expenses Which were earlier grouped under Other Current Financial Liabilities have been now regrouped Under :		As per Para 11 of IND AS 37, Trade payables include liabilities towards goods and services. Hence, the creditors for expenses which are in nature of dues towards services received have been regrouped to Trade Payables. Further, Rent payable was included under creditors for expenses, the same have been regrouped under current lease liabilities for better presentation.
- Trade Payables	103.73	
- Current Lease Liabilities	54.3	

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 26 May 2023

For and on behalf of the Directors of
Electronics Mart India Limited

Pavan Kumar Bajaj
Managing Director
DIN: 07899635

Karan Bajaj
Wholetime Director & CEO
DIN: 07899639

Premchand Devarakonda
Chief Financial Officer

Rajiv Kumar
Company Secretary

Place: Hyderabad
Date: 26 May 2023

INDEPENDENT AUDITOR'S REPORT

To,

The Members of
Electronics Mart India Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

1. We have audited the accompanying consolidated financial statements of **Electronics Mart India Limited** ('the Holding Company') and its subsidiaries i.e., Cloudnine Retail Private Limited and EMIL CSR Foundation (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

3. **BASIS FOR OPINION**

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

KEY AUDIT MATTER

4. Key audit matters are those matters that, in our professional judgement were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
Revenue recognition – Incentive income: Refer note 2(o) & 2(l) for the accounting policies and note 20 for the relevant disclosures in the accompanying consolidated financial statements. The Holding Company has recognised incentive income aggregating to ₹ 2,925.25 million for the year ended 31 March 2023 and has discount and rebate aggregating to ₹ 2,074.23 million on account of purchase of goods. Such incentive income is earned by the Company pursuant to the terms of arrangement with its vendors. Accordingly, the Company is entitled to receive incentives under various schemes which are predominantly linked to multiple variable elements such as volume of purchases, sales achieved during the specified periods on an aggregate basis or for a specified product. Accrual and measurement of such incentives during the reporting period and as at balance sheet date involves significant estimates and management judgment in respect of forecast of expected volume sales and purchases, compliances with other varying terms and conditions of different eligible schemes which is being calculated and tracked by the management based on manual efforts. Considering the significant manual intervention and high degree of judgment involved, we have identified recognition of such incentives as a key audit matter as this involved significant auditor attention for the current year audit.	Our audit procedures included, but were not limited to the following: i) Understood the process followed by the Company to determine the amount of accrual for incentives including the Company's policy for accounting such incentive income. ii) Evaluated the design and implementation and tested operating effectiveness of Company's key manual controls over incentive agreements/ arrangements/schemes including computation of incentive income, its classification between purchase and sales linked income and Company's review over the accounting treatment including accrual of incentive income. iii) Inspected different types of incentive schemes received from the dealers/vendors on a sample basis, to understand the terms and conditions of such schemes and based on such understanding, assessed whether the Company's revenue recognition policies is in accordance with the financial reporting framework of the Company. iv) Performed substantive testing by selecting samples of incentive income recorded during the year as well as period end accruals. This involved testing the eligibility conditions i.e. various parameters used in the computation with the relevant source documents and recomputation of the incentive recognised by the management.

Key Audit Matters	How our audit addressed the key audit matter
	v) Verified the incentive income accounted with the communications received from vendors/dealers where applicable. Obtained independent confirmation on sample basis where deemed necessary for the balances outstanding during the year-end. vi) With respect to incentives accounted based on management estimates, we also examined historical incentive accruals together with our understanding of current year developments to form an expectation of the incentive accrual as at year end and compared this expectation against the actual accruals and held further inquiries with the management and corroborated such inquiries by obtaining underlying documentation, on a sample basis, as appropriate. Further, we also performed retrospective review to evaluate the precision with which management makes estimates including wherever possible the subsequent receipt of such income.
Valuation of inventories: Refer note 2(l) for accounting policies and note 9 for the related disclosures in the accompanying consolidated financial statements. As at March 31, 2023, the carrying amount of inventories amounted to ₹ 17,735.34 million after considering allowances for Inventory towards net realizable value ('NRV') and slow moving inventory of ₹ 56.13 million. These inventories are held at the stores and warehouses of the Holding Company. There are judgements required in assessing the appropriate level of allowance for slow moving inventory. Such judgements include management's expectations of forecast inventory demand, product obsolescence and support expected to be received from the respective original equipment manufacturers (OEM's) etc. Further, considering the nature of arrangements wherein various purchase linked incentives are being received by the Company, the same requires adjustments to closing values of inventories, in line with the requirements of accounting policy and such adjustments are carried out manually by the Company. Evaluation of net realizable values of inventory involves evaluation of subsequent sale prices along with assessment of various other incentives being received from the respective OEMs during the subsequent periods which is considered by management in determining the market sales prices. Considering the significance of carrying value of inventories to the overall balance sheet, significant manual efforts by the management to assess the value of closing stock after considering impact of incentives and detailed assessment of provision required relating to net realizable values and the judgements applied for determining the allowance for slow moving inventory, we have identified valuation of the inventories as a key audit matter for current year's audit.	Our audit procedures included, but were not limited to the following: - Understood the process followed by the Holding Company to determine the valuation of closing stock of inventories including allowances for slow moving inventory and towards net realizable values. - Evaluated the design, implementation and tested the operating effectiveness of Holding Company's key manual controls over valuation of inventories including computation of purchase linked incentive adjustments, inventory ageing, provisioning policy and assessment of subsequent incentives received and factored in arriving at the subsequent sales pricing. - Tested the purchases prices of closing stock of inventories on a sample basis and performed recomputation of weighted average cost considered for valuation as at year end. - Inspecting different types of incentive schemes being received for subsequent period and considered by management in NRV assessment on a sample basis. - Examined historical trend of inventory ageing and provisioning towards slow moving inventories together with our understanding of current year developments to form an expectation of the reasonableness of managements provisioning policy and held further inquiries with the management and corroborated such inquiries by obtaining underlying documentation, on a sample basis, as appropriate. Assessed the Holding Company's disclosures concerning this in Note 3(A) on significant accounting estimates and judgements and Note 9 Inventories to the consolidated financial statements

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

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

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

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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

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

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

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

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors.

12. 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.

13. 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.

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

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act based on our audit, we report that the Holding Company whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 2 subsidiary companies, whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.

16. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

17. As required by section 143(3) of the Act, based on our audit and, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary companies and taken on record by the Board of Directors of the Holding Company and its subsidiary companies, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I' wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 33 to the consolidated financial statements;

ii. The Holding Company and its subsidiary companies, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

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 companies, covered under the Act, during the year ended 31 March 2023;

iv. a. The respective managements of the Holding Company and its subsidiary companies, whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief , as disclosed in note 40(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary companies, whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 40(ii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company and its subsidiary companies, have not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable to the Company for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660
UDIN: 23207660BGYCIL7447

Place: Hyderabad
Date: 26 May 2023

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF ELECTRONICS MART INDIA LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

ANNEXURE I

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Electronics Mart India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements,

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

OPINION

8. In our opinion, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660
UDIN: 23207660BGYCIL7447

Place: Hyderabad
Date: 26 May 2023

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2023

(All amounts in ₹ in Million, unless otherwise stated)

	Notes	As at 31st March 2023	As at 31st March 2022
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	5,098.57	2,794.73
Right-of-use assets	36(c)	6,317.14	5,049.14
Capital work-in-progress	5	138.77	238.44
Other intangible assets	6	5.46	5.58
Financial assets			
- Other non-current financial assets	7(a)	929.15	292.13
Deferred tax assets, net	28	250.61	176.27
Non-current tax assets	27(c)	20.27	56.56
Other non-current assets	8(a)	99.45	141.15
		12,859.42	**8,754.00**
CURRENT ASSETS			
Inventories	9	7,735.34	6,138.21
Financial assets			
- Trade receivables	10	1,384.12	1,151.65
- Cash and cash equivalents	11	2,031.57	343.99
- Loans	12	11.53	13.13
- Other current financial assets	7(b)	83.45	1.53
Other current assets	8(b)	2,833.33	1,917.23
		14,079.34	**9,565.74**
Total assets		**26,938.76**	**18,319.74**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	3,847.49	3,000.03
Other equity	14	7,995.61	2,965.08
Equity attributable to equity holders of holding company		**11,843.10**	**5,965.11**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
- Borrowings	15(a)	1,007.54	551.64
- Lease liabilities	36(a)	6,657.22	5,238.55
Provisions	16	17.07	7.04
		7,681.83	**5,797.23**
CURRENT LIABILITIES			
Financial liabilities			
- Borrowings	15(b)	6,263.38	5,384.77
- Lease liabilities	36(a)	389.39	313.22
- Trade payables	17		
- total outstanding dues of micro enterprises and small enterprises		4.97	6.19
- total outstanding dues of creditors other than micro enterprises and small enterprises		241.05	345.60
- Other current financial liabilities	18	235.83	166.68
Other current liabilities	19	145.30	198.02
Provisions	16	106.74	72.32
Current tax liabilities	27(d)	27.17	70.60
		7,413.83	**6,557.40**
Total equity and liabilities		**26,938.76**	**18,319.74**

The accompanying notes form an integral part of these consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 26 May 2023

For and on behalf of the Directors of
Electronics Mart India Limited

Pavan Kumar Bajaj
Managing Director
DIN: 07899635

Karan Bajaj
Wholetime Director & CEO
DIN: 07899639

Premchand Devarakonda
Chief Financial Officer

Rajiv Kumar
Company Secretary

Place: Hyderabad
Date: 26 May 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts in ₹ in Million, unless otherwise stated)

	Notes	For the year ended 31st March 2023	For the year ended 31st March 2022
REVENUE FROM OPERATIONS	20	54,457.10	43,493.16
Other income	21	110.45	37.55
Total income		**54,567.55**	**43,530.71**
EXPENSES			
Purchases of stock-in-trade		48,647.37	38,878.39
Changes in inventories of stock-in-trade	22	(1,597.13)	(1,324.52)
Employee benefits expense	23	940.45	788.03
Finance costs	24	985.41	846.14
Depreciation and amortisation expense	25	853.79	713.21
Other expenses	26	3,105.74	2,231.88
Total expenses		**52,935.63**	**42,133.13**
Profit before tax		**1,631.92**	**1,397.58**
Tax expense	**27(a)**		
(a) Current tax expense		478.26	419.18
(b) Deferred tax benefit		(74.34)	(60.51)
Profit for the year attributable to the Shareholders of the holding Company		**1,228.00**	**1,038.91**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurement gain on the defined benefit plans, net of income taxes		3.97	7.02
Total other comprehensive income, net of tax		**3.97**	**7.02**
Total comprehensive income for the year attributable to the Shareholders of the holding Company		**1,231.97**	**1,045.93**
EARNINGS PER EQUITY SHARE (EPES):			
Basic and Diluted (in absolute ₹ terms)		3.63	3.46
Weighted average number of equity shares considered for computation of EPES		338,544,908	300,003,000
Nominal value per equity share (in absolute ₹ terms)		10	10

The accompanying notes form an integral part of these consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 26 May 2023

For and on behalf of the Directors of
Electronics Mart India Limited

Pavan Kumar Bajaj
Managing Director
DIN: 07899635

Karan Bajaj
Wholetime Director & CEO
DIN: 07899639

Premchand Devarakonda
Chief Financial Officer

Rajiv Kumar
Company Secretary

Place: Hyderabad
Date: 26 May 2023

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts in ₹ in Million, unless otherwise stated)

	For the year ended 31st March 2023	For the year ended 31st March 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	1,631.92	1,397.58
Adjustments to reconcile profit before tax to net cash flows:		
- Depreciation and amortization expense	853.79	713.21
- Provision for employee benefits	13.99	14.07
- Advances written-off	-	3.58
- Insurance claim on Loss of Stock	(8.06)	-
- Gain on de-recognition of right-of-use assets	(13.81)	(2.37)
- Rent concessions	-	(3.67)
- Interest expense	952.76	820.94
- Interest income	(81.39)	(20.00)
Adjustments for working capital:		
Decrease/(Increase) in loans	1.60	(3.59)
Increase in other assets	(916.10)	(16.61)
Increase in other financial assets	(89.42)	(22.12)
Increase in inventories	(1,597.13)	(1,324.52)
Increase in trade receivables	(232.47)	(197.73)
(Decrease)/Increase in trade payables	(105.77)	275.93
Increase/(Decrease) in financial liabilities	87.97	(182.62)
(Decrease)/Increase in other current liabilities and provisions	(18.29)	85.44
Cash generated from operations	**479.59**	**1,537.52**
Income taxes paid, net	(485.40)	(375.83)
Net cash (used in)/ generated from operating activities	**(5.81)**	**1,161.69**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, including intangible assets	(2,371.99)	(609.11)
Security deposits towards right-of-use assets	(94.49)	(69.71)
Movement in bank deposits	(550.19)	(2.94)
Interest received	10.12	3.25
Net cash used in investing activities	**(3,006.55)**	**(678.51)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares, net of issue expenses	4,646.02	-
Repayment of long-term borrowings	(789.22)	(121.57)
Proceeds from long-term borrowings	1,427.80	-
Proceeds from short-term borrowings, net	695.93	578.53
Payment of lease liability	(258.69)	(136.67)
Interest paid	(1,021.90)	(809.69)
Net cash generated from/ (used in) financing activities	**4,699.94**	**(489.40)**
Net increase/(decrease in) cash and cash equivalents	1,687.58	(6.22)
Cash and cash equivalents at the beginning of the year	343.99	350.21
Cash and cash equivalents at the end of the year	**2,031.57**	**343.99**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2023 (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

	For the year ended 31st March 2023	For the year ended 31st March 2022
Cash and cash equivalents comprise of: (refer note 11)		
Balance with banks		
- on current accounts	331.31	303.87
Cash on hand	22.34	40.12
Deposits with maturity less than 12 months	1,677.92	-
	2,031.57	**343.99**

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 26 May 2023

For and on behalf of the Directors of
Electronics Mart India Limited

Pavan Kumar Bajaj
Managing Director
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Wholetime Director & CEO
DIN: 07899639

Premchand Devarakonda
Chief Financial Officer

Rajiv Kumar
Company Secretary

Place: Hyderabad
Date: 26 May 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2023

(All amounts in ₹ in Million, except number of equity shares and unless otherwise stated)

(A) EQUITY SHARE CAPITAL

	Number of shares	Amount
Equity shares of ₹10 each issued, subscribed and fully paid up:		
As at 1st April 2021	300,003,000	3,000.03
Issued during the year	-	-
As at 31st March 2022	300,003,000	3,000.03
Issued during the year	84,745,762	847.46
As at 31st March 2023	**384,748,762**	**3,847.49**

(B) OTHER EQUITY

	Reserves and Surplus		Other Comprehensive Income - Actuarial gain/(loss)	Total
	Retained earnings	Securities premium account		
Balance as at 1st April 2021	**1,920.87**	**-**	**(1.72)**	**1,919.15**
Profit for the year	1,038.91	-	-	1,038.91
Other comprehensive income for the year	-	-	7.02	7.02
Balance as at 31st March 2022	**2,959.78**	**-**	**5.30**	**2,965.08**
Profit for the year	1,228.00	-	-	1,228.00
Premium on equity shares issued during the year	-	4,152.54		4,152.54
Share issue expenses (refer note 13 a(i))		(353.98)		(353.98)
Other comprehensive income for the year	-		3.97	3.97
Balance as at 31st March 2023	**4,187.78**	**3,798.56**	**9.27**	**7,995.61**

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 26 May 2023

For and on behalf of the Directors of
Electronics Mart India Limited

Pavan Kumar Bajaj
Managing Director
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Rajiv Kumar
Company Secretary

Place: Hyderabad
Date: 26 May 2023

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

(All amounts in ₹ in millions, unless otherwise stated)

1. GROUP OVERVIEW

The Consolidated Financial Statements comprises of financial statements of Electronics Mart India Limited ("EMIL", "Holding Company" or "the Company") and its subsidiaries Cloudnine Retail Private Limited and EMIL CSR Foundation (Holding Company and its subsidiaries collectively termed as "the Group"). The Holding Company is a public limited company incorporated under the provisions of the Companies Act, 2013. It was duly converted from a partnership firm, M/s Bajaj Electronics," with effect from 10 September 2018 vide CIN No. U52605TG2018PLC126593. The registered office of the Company is located at D. No.: 6-1-91, Shop No. 10, Ground Floor, Telephone Bhavan, Secretariat Road, Saifabad, Hyderabad, Telangana – 500004 and the corporate office of the Company is located at 6-3-666/A1 to 7, 3rd Floor, Opp. NIMS Hospital, Punjagutta Main Road, Hyderabad, Telangana – 500 082.

The Group is engaged in the business of sale of consumer electronics and durable products through a chain of retail stores located in the states of Telangana, Andhra Pradesh and National Capital Region (NCR) and also through the online platform.

These consolidated financial statements have been prepared by the Group as a going concern and were approved by the Board of Directors and authorized for issue on 26 May 2023. The functional currency of the Group is 'Indian National Rupee'. All financial information present in Indian rupees have been rounded-off to two decimal places to the nearest million except share data or as otherwise stated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of consolidated financial statements

These Consolidated Financial Statements of the Group have been prepared as per the principles of Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. These consolidated financial statements comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31 March 2023 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements'). The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following: financial instruments/financial assets measured at fair value or amortized cost; employee defined benefit assets/ liability recognized as the net total of the fair value of plan assets, and actuarial losses/gains, and the present value of defined benefit obligation.

(b) Consolidation procedure:

i. Subsidiaries:

Subsidiaries are all entities that are controlled by the Company. Control exists when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Company, wherever applicable.

ii. Transactions eliminated on consolidation:

Intra-group balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated in full while preparing these consolidated financial statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

iii. Loss of Control:

Upon loss of control, the Company derecognizes the assets and liabilities of the subsidiary, any noncontrolling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated Statement of Profit and Loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a fair value through other comprehensive income (FVTOCI) or fair value through profit and loss (FVTPL) financial asset, depending on the level of influence retained.

(c) The consolidated financial statements have been prepared on the basis of the financial statements of the following wholly owned subsidiaries, in India:

S.No.	Name of the subsidiary	Date of Incorporation
1.	Cloudnine Retail Private Limited	29 August 2019
2.	EMIL CSR Foundation	25 February 2021

Cloudnine Retail Private Limited is yet to commence their activities.

(d) Use of estimate

The preparation of consolidated financial statements requires the management to make accounting estimates, assumptions and judgements that affect the reported amounts of assets and liabilities on the date of consolidated financial statements, disclosure of contingent liabilities as at the date of the consolidated financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

(e) Operating cycle and current and non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

The Group classifies all other assets as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

(f) Fair value measurement

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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

(g) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprise of purchase price, freight, non-refundable taxes and duties and any other cost attributable to bring the asset to its working condition for its intended use. Expenditure directly relating to construction activity is capitalized if the recognition criteria are met. Indirect expenditure is capitalized to the extent those relate to the construction activity or is incidental thereto. All other repair and maintenance costs are recognised in profit or loss as incurred.

(All amounts in ₹ in Million, unless otherwise stated)

Direct expenditure incurred and other attributable costs on projects under construction are treated as expenditure during construction period pending capitalisation and are termed as Capital work-in-progress and shown at cost in the Balance Sheet.

Gain or losses arising from derecognition of an item of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Capital work-in-progress includes cost of property, plant and equipment that are not ready for their intended use.

Capital work-in-progress are not depreciated as these assets are not yet available for use.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment is provided on Straight-Line Method over their estimated useful lives as estimated by management. The details of useful lives as assessed by the management and as prescribed in the Schedule II to the Companies Act, 2013 is as follows:

Particulars	Management estimates (No. of years)	Schedule II (No. of years)
Buildings	60 years	60 years
Plant and equipment	15 years	15 years
Furniture and fixtures	8 years	10 years
Vehicles	8 - 10 years	8 - 10 years
Office equipment	5 years	5 years
Electrical installations and equipment	8 - 10 years	10 years
Computers and data processing units	3 - 6 years	3 - 6 years
Other equipments	15 years	15 years

Leasehold improvements are depreciated on Straight-Line Method over the lease period or the useful lives as determined by management, whichever is lower.

(h) Other intangible assets

Intangible assets in the nature of computer software are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

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

Amortization of other intangible assets

Intangible assets are amortized on a Straight-Line Method basis over the estimated useful economic life. The intangible assets are amortized over a period of three years from the date when the asset is available for use, as estimated by management. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds three years, the Group amortizes the intangible asset over the best estimate of its useful life.

(i) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

(j) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss ('FVTPL'), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortized cost

Debt instruments at amortized cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Cash and cash equivalents

Cash and cash equivalents represent cash and bank balances and fixed deposits with banks with original maturity of less than three months. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

Trade receivables

Trade receivables are subsequently measured at amortized cost using the effective interest rate (EIR) method.

De-recognition

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for following financial assets and credit risk exposures:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, deposits, trade receivables, commission receivables, other advances and bank balances; and

b) Trade receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets, and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Financial Liabilities

Initial recognition and measurement

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

The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of period which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

De-recognition

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

Offsetting of financial instruments

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

(k) Taxes

Tax expense comprises of 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. Current taxes are recognised in Profit or Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity in which case, the income taxes are recognised in Other Comprehensive Income or directly in equity respectively.

The Group recognises interest levied on income tax as interest expenses.

ii) Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(l) Inventories

Inventory is valued at lower of cost and net realizable value.

Cost includes purchase price, duties and taxes (other than those subsequently recoverable by the Group from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. In determining the cost, weighted average cost method is used. The carrying cost of inventories are appropriately written down when there is a decline in the net realisable value of such materials. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(m) Borrowing costs

Borrowing costs consists of interest, ancillary costs and other costs in connection with the borrowing of funds.

Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of the cost of such assets, up to the date such assets are ready for their intended use. Other borrowing costs are charged to the Statement of Profit and Loss.

(n) Provisions and contingencies

Provisions

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past event i.e., it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(o) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

Given the nature of business, the period between the transfer of goods and payment by the customer is generally immediate and is less than one year for wholesale sales, accordingly management has determined that there is no adjustments needed to the transaction prices for the time value of money.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

i. the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or

ii. the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

iii. the Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue in excess of invoicing are classified as contract asset while collections in excess of revenues are classified as contract liabilities.

Further, at the time of revenue recognition, the entity also determines whether there are any material unsatisfied performance obligations and determines the portion of the aggregate consideration, if any, that needs to be allocated and deferred.

Specifically, the following basis is adopted for various sources of income:

Sale of goods

Revenue from sale of goods comprises the sale of consumer electronics and durables and is recognised at a point in time, on satisfaction of performance obligation upon transfer of control of promised products which generally coincides with delivery. Amounts disclosed as revenue are net of returns, trade allowances, rebates and exclusive of goods and services tax.

Commission and incentives

Revenue in relation to commission and incentives are recognized when the right to receive and performance of agreed contractual task has been completed in accordance with the terms of agreements entered and are linked to sale of goods.

(p) Retirement and other employee benefits

Provident fund and employee state insurance fund are defined contribution schemes and is charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective authorities.

Gratuity is a defined benefit obligation and is provided for on the basis of an actuarial valuation as per the projected unit credit method made at the end of period.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

(q) Leases

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

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

i. Right-of-use assets:

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line Method basis over the balance lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

ii. Lease liabilities:

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

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

iii. Short-term leases and leases of low-value assets:

The Group applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a Straight-Line Method basis over the lease term.

(r) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(s) Segment reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Group has only one reportable segment namely "retailing and wholesale of electronic household items and accessories through its stores and online platforms". Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer, and the Managing Director, who together constitute as Chief Operating Decision Maker ('CODM').

(t) Dividends

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors.

(u) Earnings per equity share

Basic earnings per equity share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per equity share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3. (A) SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these consolidated financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainties at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Judgements

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Leases

(1) Lease term:

Ind AS 116 require lessees to determine the lease term as the non-cancellable period of lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to termination of the underlying assets and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no change are required to lease period relating to the existing lease contracts.

(2) Discount rate:

The Group cannot readily determine the interest rate implicit in the lease, therefore it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay' which requires elimination when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs such as comparable interest rates for similar instruments and availing a quote from lenders, if required.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Deferred income taxes

The assessment of the probability of future taxable profit in which deferred tax assets can be utilized is based on the Group's latest approved forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss. The tax rules in the jurisdiction in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized in full.

Current income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Allowance for slow moving, damaged and obsolete inventory

An allowance for inventory to write down to the lower of cost or net realisable value is made by management based on the estimates of the selling price and direct cost to sell the slow moving/damaged inventory. The write down is included in the operating results.

Life time expected credit loss on trade and other receivables

Trade receivables do not carry any interest and are stated at their transaction value as reduced by life time expected credit losses ("LTECL"). As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. ECL impairment loss allowance (or reversal) for the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head other expenses/other income in the P&L. ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Employee benefits plan

The cost of defined benefit gratuity plan as well as the present value of the gratuity obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, expected rates of return of assets, future salary increase and mortality rates. Due to the complexity of the valuation, the underlying assumptions, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Depreciation on property, plant and equipment:

Depreciation on property, plant and equipment is calculated on a Straight-Line Method basis based on the useful lives estimated by the management. Management has reviewed the useful lives and residual values and assessed that no changes are necessary from the previously estimated useful lives and residual values of the property, plant and equipment.

Incentive Income

Accrual and measurement of Incentive Income involves management judgements and significant estimates in relation to forecast of expected volume of purchases and sales along with evaluation of expected compliances with various terms and conditions of eligible schemes and assessment of reasonable certainty of the scheme targets being met and incentives being realised from the vendors. Accordingly, changes to these estimates would have a considerable impact on the incentive income accruals and realisability.

3. (B) STANDARDS AND RECENT PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE

MCA vide its notification dated 31 March 2023 has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 to further amend the Group (Indian Accounting Standards) Rules, 2015, which are effective from 1 April 2023. The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

(All amounts in ₹ in Million, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical installations and equipment	Computers and data processing units	Leasehold improvements	Other equipments	Total
Gross carrying amount											
As at 1st April 2021	**501.25**	**1,361.03**	**63.93**	**284.57**	**102.28**	**67.26**	**142.57**	**34.37**	**609.23**	**0.01**	**3,166.50**
Additions during the year	2.10	12.83	6.27	36.07	5.33	16.94	22.52	14.90	142.32	-	259.28
As at 31st March 2022	**503.35**	**1,373.86**	**70.20**	**320.64**	**107.61**	**84.20**	**165.09**	**49.27**	**751.55**	**0.01**	**3,425.78**
Additions during the year	1,858.20	213.11	10.19	102.32	16.16	18.14	58.07	11.93	272.14	-	2,560.26
As at 31st March 2023	**2,361.55**	**1,586.97**	**80.39**	**422.96**	**123.77**	**102.34**	**223.16**	**61.20**	**1,023.69**	**0.01**	**5,986.04**
Accumulated depreciation											
Up to 31st March 2021	**-**	**42.83**	**8.47**	**74.75**	**22.51**	**35.46**	**21.70**	**18.48**	**187.65**	**-**	**411.85**
Charge for the year	-	23.42	4.69	40.85	13.34	12.50	17.14	9.93	97.33	-	219.20
Up to 31st March 2022	**-**	**66.25**	**13.16**	**115.60**	**35.85**	**47.96**	**38.84**	**28.41**	**284.98**	**-**	**631.05**
Charge for the period	-	25.28	5.31	43.79	14.73	13.00	22.86	12.16	119.29	-	256.42
Up to 31st March 2023	**-**	**91.53**	**18.47**	**159.39**	**50.58**	**60.96**	**61.70**	**40.57**	**404.27**	**-**	**887.47**
Net carrying amount											
As at 31st March 2023	**2,361.55**	**1,495.44**	**61.92**	**263.57**	**73.19**	**41.38**	**161.46**	**20.63**	**619.42**	**0.01**	**5,098.57**
As at 31st March 2022	**503.35**	**1,307.61**	**57.04**	**205.04**	**71.76**	**36.24**	**126.25**	**20.86**	**466.57**	**0.01**	**2,794.73**

(a) Title deeds of immovable properties not held in the name of the Holding Company

As at 31st March 2023 & 31st March 2022

Relevant line item in the Balance Sheet*	Gross Carrying Value		Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date
	Land	Building			
Property, plant and equipment	16.80	61.63	Pavan Kumar Bajaj	Promoter	10th September 2018
Property, plant and equipment	50.54	114.97	M/s Bajaj Electronics	Erstwhile Partnership Firm	10th September 2018
Property, plant and equipment	127.20	88.23	M/s Bajaj Electronics, Pavan Kumar Bajaj, Karan Bajaj	Erstwhile Partnership Firm & Promoters	10th September 2018
	194.54	**264.83**			

*None of the above mentioned properties are in dispute.

Note: Immovable properties referred above were acquired by the Holding Company pursuant to the conversion of partnership firm viz Bajaj Electronics, with effect from 10th September 2018. Management has taken necessary steps and presently in the process of incorporating the Holding Company's name in the title deeds of these immovable properties.

(All amounts in ₹ in Million, unless otherwise stated)

5 CAPITAL WORK-IN-PROGRESS

	As at 31st March 2023	As at 31st March 2022
Capital work-in-progress	138.77	238.44
	138.77	**238.44**

(a) Details of Preoperative expenditure/expenditure during construction period pending capitalisation

	As at 31st March 2023	As at 31st March 2022
Finance costs	67.37	-
Employee benfits expense	11.76	-
Other expenses		
Travelling expenses	3.02	-
	82.15	**-**
Less: Expenses capitalised during the year	(29.58)	-
	52.57	**-**

(b) Capital work-in-progress (CWIP) ageing schedule

	Amount in CWIP for a year of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress:					
31st March 2023	**119.88**	**18.89**	**-**	**-**	**138.77**
31st March 2022	238.44	-	-	-	238.44

(c) Movement of CWIP

	As at 31st March 2023	As at 31st March 2022
Opening Balance	238.44	20.44
Add : Additions during the year	1,186.83	282.32
Less: Capitalised during the year	(1,286.50)	(64.32)
Closing Balance	**138.77**	**238.44**

(d) There are no projects temporarily suspended as at 31 March 2023 and 31 March 2022.

(e) The Group has no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2023 and 31 March 2022.

6 OTHER INTANGIBLE ASSETS

	Computer Software	Trademarks	Total
Gross carrying amount			
As at 1st April 2021	**26.33**	**1.18**	**27.51**
Additions during the year	1.97	0.03	2.00
As at 31st March 2022	**28.30**	**1.21**	**29.51**
Additions during the year	2.74	0.68	3.42
As at 31st March 2023	**31.04**	**1.89**	**32.93**
Accumulated amortisation			
Up to 31st March 2021	**20.29**	**0.87**	**21.16**
Charge for the year	2.66	0.11	2.77
Up to 31st March 2022	**22.95**	**0.98**	**23.93**
Charge for the year	3.41	0.13	3.54
Up to 31st March 2023	**26.36**	**1.11**	**27.47**
Net carrying amount			
As at 31st March 2023	**4.68**	**0.78**	**5.46**
As at 31st March 2022	**5.35**	**0.23**	**5.58**

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)
(All amounts in ₹ in Million, unless otherwise stated)

7 OTHER FINANCIAL ASSETS

		As at 31st March 2023	As at 31st March 2022
(a)	**Non-current**		
	(Unsecured, considered good)		
	Fixed deposits with banks#	547.93	0.87
	Margin money deposits*	78.65	75.52
	Security deposits with:		
	- related party	4.15	3.64
	- others	**298.42**	**212.10**
		929.15	**292.13**

*Represents deposits held as security against loans availed by the Group.

#Represents deposits amounting to ₹ 547.36 held with banks towards unutilised amounts received from IPO and earmarked for utilisation towards objects of the IPO after 12 months from the date of balance sheet.

(b)	**Current**		
	(Unsecured, considered good)		
	Interest accrued	52.89	1.53
	Other receivables	30.56	-
		83.45	**1.53**

8 OTHER ASSETS

		As at 31st March 2023	As at 31st March 2022
(a)	**Non-current**		
	(Unsecured, considered good)		
	Capital advances	**99.45**	**141.15**
		99.45	**141.15**
(b)	**Current**		
	(Unsecured, considered good)		
	Advances to vendors	1,355.58	732.80
	Balances with government authorities	1,381.62	1,088.94
	Prepaid expenses	61.94	67.80
	Other advances	34.19	27.69
		2,833.33	**1,917.23**

9 INVENTORIES

	As at 31st March 2023	As at 31st March 2022
Valued at the lower of cost or net realisable value		
Stock-in-trade*	7,735.34	6,138.21
	7,735.34	**6,138.21**

*Net of ₹ 56.13 (31st March 2022: ₹ 71.73) representing adjustment towards provision for net realisable value and slow moving inventories.

(All amounts in ₹ in Million, unless otherwise stated)

10 TRADE RECEIVABLES

	As at 31st March 2023	As at 31st March 2022
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	1,388.17	1,163.87
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
	1,388.17	**1,163.87**
Less: Expected Credit Loss	4.05	12.22
	1,384.12	**1,151.65**

(i) There are no dues from Directors or other officers of the group either severely or jointly with any other person or from firms or private companies in which any director is a partner, a director, or a member.

(ii) Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

(a) Trade receivables ageing schedule

(i) Trade receivables, unscecured, considered good and undisputed:

Particulars	Unbilled dues#	Outstanding from the due date of payment					Less : Expected Credit Loss	Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years		
31st March 2023	1,138.42	224.65	16.18	2.89	3.83	2.20	(4.05)	**1,384.12**
31st March 2022	852.51	288.88	11.64	8.59	1.81	0.44	(12.22)	**1,151.65**

(ii) Trade receivables, which have significant increase in credit risk:

Trade receivables, which have significant increase in credit risk is ₹ Nil as at 31st March 2023 (31st March 2022: ₹ Nil).

(iii) Trade receivables credit impaired:

Trade receivables, credit impaired is ₹ Nil as at 31st March 2023 (31st March 2022: ₹ Nil).

(iv) Trade receivables, disputed:

There are no secured and there are no disputed trade receivables outstanding as at 31st March 2023 and 31st March 2022.

Represents incentive income and commission income accrued as per the agreed terms.

(b) Considering the nature of business of the entity i.e., retailing of electronics, with only a small portion being wholesale sales, majority of the amounts are collected at the time of sales or through financing model and accordingly, the Company measures the expected credit loss of trade receivables from individual customers towards sales made based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivables is not material hence no additional disclosures are presented.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

11 CASH AND BANK BALANCES

	As at 31st March 2023	As at 31st March 2022
Cash and cash equivalents		
Balances with banks		
- on current accounts*	331.31	303.87
Cash on hand	22.34	40.12
Deposits with maturity less than 12 months	1,677.92	-
	2,031.57	**343.99**
Bank balances other than above		
Margin money deposits**	78.65	75.52
Fixed deposits with maturity year of more than 12 months	0.57	0.87
Less: Amounts reclassified to other non-current financial assets	(79.22)	(76.39)
	-	-
	2,031.57	**343.99**

* There are no repatriation restrictions with regard to cash and cash equivalents.

**Represents deposits held as a security against loans availed by the Group.

12 LOANS

	As at 31st March 2023	As at 31st March 2022
(Unsecured, considered good)		
Loans to:		
- employees	11.53	13.08
- others	-	0.05
	11.53	**13.13**

Note: There are no dues from Directors or other officers of the group either severely or jointly with any other person or from firms or private companies in which any director is a partner, a director, or a member.

13 EQUITY SHARE CAPITAL

	As at 31st March 2023		As at 31st March 2022	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of ₹10 each	1,00,00,00,000	10,000.00	1,00,00,00,000	10,000.00
	1,00,00,00,000	**10,000.00**	**1,00,00,00,000**	**10,000.00**
Issued, subscribed and fully paid-up				
Equity shares of ₹10 each	30,00,03,000	3,000.03	30,00,03,000	3,000.03
Issued during the year (refer note a(i))	8,47,45,762	847.46	-	-
	38,47,48,762	**3,847.49**	**30,00,03,000**	**3,000.03**

(a) Reconciliation of equity shares outstanding at the beginning and end of the reporting year

	As at 31st March 2023		As at 31st March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10 each				
Balance at the beginning	30,00,03,000	3,000.03	30,00,03,000	3,000.03
Issued during the year (refer note a(i))	8,47,45,762	847.46	-	-
At the end of the reporting year	38,47,48,762	3,847.49	30,00,03,000	3,000.03

(All amounts in ₹ in Million, unless otherwise stated)

(a) (i) **Equity shares issued during the year**

The Board of Directors of the Holding Company had raised funds via fresh issue of equity shares through Initial Public Offering (IPO) of 84,745,762 equity Shares of face value of ₹10 each at an issue price of ₹ 59 per equity share. The Holding Company's equity shares were listed on the National Stock Exchange (NSE) and on the BSE Limited (BSE) on 17th October 2022. Consequently, an amount of ₹ 847.46 has been accounted under equity share capital, followed by securities premium to the tune of ₹ 3,798.56 , net of share issue expenses amounting to ₹ 353.98.

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing general meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% equity shares in the Company

	As at 31st March 2023		As at 31st March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10 each fully paid				
Pavan Kumar Bajaj	15,20,57,999	39.52%	15,20,57,999	50.69%
Karan Bajaj	14,78,78,566	38.44%	14,78,78,566	49.29%

(d) Details of equity shares issued without payment being received in cash

During the year ended 31st March 2019, the Company had issued 300,003,000 equity shares of ₹10 each fully paid up to the partners of the erstwhile partnership firm M/s. Bajaj Electronics pursuant to conversion of the said firm into the Company.

(e) Shareholding of promoters

For the purpose of reporting of the shareholding of promoters, Mr Pavan Kumar Bajaj and Mr Karan Bajaj has been considered as promoters as defined under the Provisions of the Companies Act, 2013. There was no change in the promoter holding during the year ended 31st March 2022. Further, refer table below for details of changes in promoters share holding during the year ended 31st March 2023 owing to fresh issue of equity shares via IPO as detailed in note 13(a)(i) above.

	As at 31st March 2023		As at 31st March 2022		% Change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of ₹ 10 each fully paid					
Pavan Kumar Bajaj	15,20,57,999	39.52%	15,20,57,999	50.69%	-11.16%
Karan Bajaj	14,78,78,566	38.44%	14,78,78,566	49.29%	-10.86%

(f) In terms of the requirements of Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the listed entities (except entities listed on Innovators Growth Platform without making a public issue) are required to comply with the minimum public shareholding (MPS) of 25% as specified in Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (SCRR) in the manner as specified by the Securities and Exchange Board of India (SEBI) from time to time and within a period of 3 years from being listed. In accordance with the said requirements, management is evaluating the options available as per the SEBI guidelines and will ensure compliance of the same within the prescribed timelines.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

14 OTHER EQUITY

	As at 31st March 2023	As at 31st March 2022
Retained earnings- Surplus in the statement of profit and loss		
At the beginning of the year	2,959.78	1,920.87
Add: Profit for the year	1,228.00	1,038.91
At the end of the year	**4,187.78**	**2,959.78**
Securities Premium		
At the beginning of the year	-	-
Add: Premium on equity shares issued during the year	4,152.54	-
Less: Share issue expenses (refer note 13 a(i))	(353.98)	-
At the end of the year	**3,798.56**	**-**
Other comprehensive income		
Actuarial gain on employment benefits:		
At the beginning of the year	5.30	(1.72)
Add: Other comprehensive income for the year	3.97	7.02
At the end of the year	**9.27**	**5.30**
	7,995.61	**2,965.08**

Nature and purpose of reserves

(a) Surplus in Statement of Profit and Loss

Surplus in Statement of Profit and Loss represents the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions to shareholders.

(b) Securities Premium

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

(c) Actuarial gain on employment benefits

The reserve represents the remeasurement gains arising from the actuarial valuation of the defined benefit obligations of the Group. The remeasurement gains are recognised in other comprehensive income and accumulated under this reserve within equity. The amounts recognised under this reserve are not reclassified to Statement of Profit and Loss.

15 BORROWINGS

	As at 31st March 2023	As at 31st March 2022
(a) Non-current borrowings		
Secured		
Term loans from		
- Banks (refer note 15(i) and (ii))	996.40	618.82
- Financial institutions (refer note 15(i) and (ii))	261.00	-
	1,257.40	**618.82**
Less: Current maturities of non-current borrowings	(249.86)	(67.18)
	1,007.54	**551.64**
(b) Current borrowings		
Secured, loans repayable on demand		
Working capital loans from:		
- Banks (refer note 15(iii)(1))	3,889.84	2,684.83
- Financial institutions (refer note 15(iii)(2))	995.70	995.80
Current maturities of non-current borrowings	249.86	67.18
	5,135.40	**3,747.81**
Unsecured, loans repayable on demand		
- Banks (refer note 15(iv)(a))	520.06	270.87
- Financial institutions (refer note 15(iv)(b))	607.92	1,366.09
	1,127.98	**1,636.96**
Total current borrowings	**6,263.38**	**5,384.77**

(All amounts in ₹ in Million, unless otherwise stated)

The below section sets out an analysis of liabilities arising from financing activities and the movements for the year ended presented:

	As at 31st March 2023	As at 31st March 2022
Lease liabilities (refer note 36)	7,046.61	5,551.77
Current borrowings	6,013.52	5,317.59
Non-current borrowings	1,257.40	618.82
Interest accrued (refer note 18)	23.00	24.77
Liabilities arising from financing activities	**14,340.53**	**11,512.95**

	Laibilities from financing activities				
	Lease liabilities	Interest accrued	Current borrowings	Non-current borrowings	Total
As at 1st April 2021	**4,199.29**	**13.52**	**4,739.06**	**740.39**	**9,692.26**
Cash inflows/(outflows), net	(136.67)	-	578.53	(121.57)	320.29
Interest expense for the year	462.40	358.54	-	-	820.94
Interest paid during the year	(462.40)	(347.29)	-	-	(809.69)
Other non-cash movements					
- Lease liabilities recognised during the year	1,513.35	-	-	-	1,513.35
- Lease liabilities derecognised during the year	(20.53)	-	-	-	(20.53)
- Rent concessions during the year	(3.67)	-	-	-	(3.67)
As at 31st March 2022	**5,551.77**	**24.77**	**5,317.59**	**618.82**	**11,512.95**
Cash inflows/(outflows), net	(260.87)	-	695.93	638.58	1,073.64
Interest expense for the year	552.65	467.48	-	-	1,020.13
Interest paid during the year	(552.65)	(469.25)	-	-	(1,021.90)
Other non-cash movements					
- Lease liabilities recognised during the year	1,821.21	-	-	-	1,821.21
- Lease liabilities derecognised during the year	(72.38)	-	-	-	(72.38)
- Others	6.88	-	-	-	6.88
As at 31st March 2023	**7,046.61**	**23.00**	**6,013.52**	**1,257.40**	**14,340.53**

Terms and conditions of secured term loans from banks and financial institutions and nature of security:

S. No.	Name	As at		Interest rate (%)		Repayment terms
		31st March 2023	31st March 2022	31st March 2023	31st March 2022	
1	HDFC Bank Limited (HDFC Bank) (refer note a(i))	-	82.74	MCLR* + 0.75% i.e. 8% p.a.	MCLR* + 0.75% i.e. 8% p.a.	Repayable in 84 EMI's starting from 7th August 2021
2	HDFC Bank (refer note a(i))	-	76.05			Repayable in 84 EMI's starting from 7th August 2021
3	HDFC Bank (refer note a(i))	-	88.42			Repayable in 88 EMI's starting from 7th August 2021
4	HDFC Bank (refer note a(i))	-	73.79			Repayable in 90 EMI's starting from 7th August 2021
5	HDFC Bank (refer note a(i))	-	131.60			Repayable in 97 EMI's starting from 7th August 2021
6	HDFC Bank (refer note a(i))	-	114.42			Repayable in 170 EMI's starting from 7th August 2021
7	HDFC Bank (refer note a(i))	-	51.80			Repayable in 63 EMI's starting from 7th August 2021
8	ICICI Bank (refer note a(ii))	431.82		MCLR* + 0.65% i.e. 7.90% p.a.	-	Repayable in 22 QEMI's starting from 23rd August 2022
9	ICICI Bank (refer note a(ii))	77.73		MCLR* + 0.65% i.e. 8.20% p.a.	-	Repayable in 22 QEMI's starting from 23rd August 2022

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

S. No.	Name	As at		Interest rate (%)		Repayment terms
		31st March 2023	31st March 2022	31st March 2023	31st March 2022	
10	ICICI Bank (refer note a(ii))	116.59		MCLR* + 0.65% i.e. 8.40% p.a.		Repayable in 22 QEMI's starting from 23rd August 2022
11	ICICI Bank (refer note a(ii))	204.51		MCLR* + 0.65% i.e. 8.55% p.a.		Repayable in 22 QEMI's starting from 23rd August 2022
12	AXIS Bank (refer note a(ii))	165.75		MCLR* + 0.60% i.e. 8% p.a.	-	Repayable in 72 EMI's starting from 31st July 2022
13	Bajaj Finance Limited ('BFL') (refer note a(ii))	261.00		Current BFL Floating Reference Rate less Spread i.e. 20.9% - 12.90% p.a.	-	Repayable in 180 EMI's starting from 2nd May 2022
		1,257.40	**618.82**			

Term loan outstanding to the tune of:

(a) (i) ₹ Nil as at 31stMarch 2023 (31st March 2022: ₹ 618.82) from HDFC Bank is secured:

(I) First exclusive charge on:

- stock and book debts (including credit card receivables) of the Company;
- all the movable property, plant and equipment of the Company; and
- extension of exclusive charge on the current assets.

(II) Mortgage against specific buildings owned by the Company.

(III) Personal guarantee of Pavan Kumar Bajaj, Karan Bajaj and Renu Bajaj.

(a) (ii) ₹ 830.65, ₹ 165.75 and ₹ 261.00 as at 31stMarch 2023 (31st March 2022: Nil) from ICICI Bank, Axis Bank and BFL, respectively is secured:

(I) By way of mortgage against specific buildings owned by the Company

(II) Personal guarantees of Pavan Kumar Bajaj and Karan Bajaj.

Additionally, loan from ICICI Bank is also secured against exclusive charge on debt service reserve account (DSRA).

Maturity profile of long-term borrowings:

	As at 31st March 2023	As at 31st March 2022
Within 1 year	249.86	67.18
1-2 years	250.40	72.75
2-5 years	528.56	250.82
More than 5 years	228.58	228.07
	1,257.40	**618.82**

(All amounts in ₹ in Million, unless otherwise stated)

(iii) Terms and conditions of working capital loans from banks and financial institution and nature of security:

S. No.	Name	As at 31st March 2023	As at 31st March 2022	Repayment terms	Types of security
1	HDFC Bank Limited ('HDFC')#	3,889.84	2,684.83	Payable on demand	(i) First exclusive charge on: - stock and book debts (including credit card receivables) of the Company; - all the movable property, plant and equipment of the Company; and - extension of exclusive charge on the current assets.
2	Bajaj Finance Limited ('BFL')^	995.70	995.80	Payable on demand	(i) First pari-passu charge with HDFC on: - hypothecation of stocks, book debts and property, plant and equipment; - certain specific buildings pledged with HDFC; and - minimum collateral cover for immovable assets to be maintained at 0.35 times during the tenor of the facility.
		4,885.54	**3,680.63**		

Working capital loans from HDFC carries an interest rate of MCLR*+0.75% p.a.(31st March 2022: MCLR*+0.75% p.a)

*Marginal cost of funds based lending rate.

^ Working capital loans from BFL carries an interest rate of 8% p.a. (31st March 2022: 8% p.a)

Note: The aforementioned working capital loans from banks and financial institution are personally guaranteed by Pavan Kumar Bajaj, Karan Bajaj and Renu Bajaj. Further, the working capital facility availed from HDFC bank is also secured by way of pledge of certain personal properties of Pavan Kumar Bajaj, Karan Bajaj and Renu Bajaj.

(iv) Terms and conditions of unsecured loans

(a) The Company has availed unsecured loans amounting to ₹ 520.06 (31st March 2022: ₹ 270.87) from IDFC First Bank Limited for meeting the working capital requirements carrying an interest rate of 9.50% p.a.(31st March 2022: 9.50% p.a). These amounts are repayable on demand.

(b) The Company has availed unsecured loans amounting to ₹ 607.92 (31st March 2022: ₹1,366.09) from Bajaj Finance Limited for meeting the working capital requirements carrying an interest rate of 12.75% p.a. (31st March 2022: 12.75% p.a.) These amounts are repayable on demand.

16 PROVISIONS

	As at 31st March 2023	As at 31st March 2022
Non-current		
Provision for employee benefits		
- Gratuity, funded (refer note 23(b))	17.07	7.04
	17.07	**7.04**
Current		
Provision for sales return	106.74	72.32
	106.74	**72.32**

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

17 TRADE PAYABLES

	As at 31st March 2023	As at 31st March 2022
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	4.97	6.19
- total outstanding dues of creditors other than micro enterprises and small enterprises	241.05	345.60
	246.02	**351.79**

(a) Trade payables are non-interest bearing and are normally settled based on the agreed payment terms.

(b) The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

		As at 31st March 2023	As at 31st March 2022
(i)	The principal amount remaining unpaid as at the end of the year	4.97	6.19
(ii)	The amount of interest accrued and remaining unpaid at the end of the year	-	-
(iii)	Amount of interest paid by the Company in terms of Section 16, of (MSMED Act 2006) along with the amounts of payments made beyond the appointed date during the year	-	-
(iv)	The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act 2006)	-	-

(c) Trade payables ageing schedule

As at 31st March 2023

Particulars		Outstanding for the following periods from					
		Unbilled dues	Less than 1 year	1-2 years	2-3 years	Morethan 3 years	Total
i)	MSME	-	4.97	-	-	-	4.97
ii)	Others	**90.88**	133.07	11.20	5.90	-	241.05
iii)	Disputed dues-MSME	**-**	-	-	-	-	-
iv)	Disputed dues-Others	**-**	-	-	-	-	-
v)	Unbilled dues	**-**	-	-	-	-	-
Total		**90.88**	**138.04**	**11.20**	**5.90**	**-**	**246.02**

As at 31st March 2022

Particulars		Outstanding for the following periods from					
		Unbilled dues	Less than 1 year	1-2 years	2-3 years	Morethan 3 years	Total
i)	MSME	-	6.19	-	-	-	6.19
ii)	Others	**68.10**	271.21	6.29	-	-	345.60
iii)	Disputed dues-MSME	**-**	-	-	-	-	-
iv)	Disputed dues-Others	**-**	-	-	-	-	-
v)	Unbilled dues	**-**	-	-	-	-	-
Total		**68.10**	**277.40**	**6.29**	**-**	**-**	**351.79**

(All amounts in ₹ in Million, unless otherwise stated)

18 OTHER FINANCIAL LIABILITIES

	As at 31st March 2023	As at 31st March 2022
At amortised cost		
Interest accrued	23.00	24.77
Creditors for capital expenditure	8.00	25.05
Creditors for expenses	84.92	3.61
Dues to employees	119.91	113.25
	235.83	**166.68**

19 OTHER CURRENT LIABILITIES

	As at 31st March 2023	As at 31st March 2022
Statutory liabilities	37.06	35.11
Provision for Corporate Social Responsibility expenditure	23.44	24.96
Advances received from customers (refer (a) below)	84.80	137.95
	145.30	**198.02**

(a) Movement in the Contract Liabilities during the year is as under. Total contract liabilities outstanding as on 31 March 2023 will be recognised in next 12 months.

	As at 31st March 2023	As at 31st March 2022
Opening Balance	137.95	113.32
Advance received during the year	1,061.83	944.74
Less : Revenue recognised during the year	(1,044.63)	(864.88)
Less : Other Adjustments during the year	(70.35)	(55.23)
	84.80	**137.95**

20 REVENUE FROM OPERATIONS

	For the year ended 31st March 2023	For the year ended 31st March 2022
Revenue from contracts with customers		
Sale of products - Consumer electronics and durables	50,899.60	40,858.48
Other operating revenue:		
- Commission income	632.25	497.85
- Incentive income	2,925.25	2,136.83
	54,457.10	**43,493.16**

(i) Reconciliation of revenue from sale of products with the contracted price:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Revenue at contracted price	52,059.07	41,815.66
Less: Sales returns	1,159.47	957.18
Total revenue from contracts with customers	**50,899.60**	**40,858.48**

(ii) Disaggregation of revenues:

Revenue based on type of customer

	For the year ended 31st March 2023	For the year ended 31st March 2022
- Retail	50,095.13	39,816.54
- Wholesalers	565.79	642.35
- E-commerce	238.68	399.59
Total revenue from contracts with customers	**50,899.60**	**40,858.48**

(iii) The Group has operations only in India, hence there are no separately reportable geographical segments.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

21 OTHER INCOME

	For the year ended 31st March 2023	For the year ended 31st March 2022
Other non-operating income:		
(i) Interest income on:		
- Bank deposits	61.48	3.07
- Security deposits	19.91	16.93
(ii) Rent concessions	-	3.67
(ii) Miscellaneous income	21.00	13.88
(iv) Insurance claim on Loss of Stock	8.06	-
	110.45	**37.55**

22 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

	For the year ended 31st March 2023	For the year ended 31st March 2022
Stock-in-trade at the beginning of the year	6,138.21	4,813.69
Less: Stock-in-trade at the end of the year	7,735.34	6,138.21
	(1,597.13)	**(1,324.52)**

23 EMPLOYEE BENEFITS EXPENSE

	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries and wages	865.67	711.28
Contribution to provident and other funds (refer note a)	43.20	37.43
Gratuity and compensated absences (refer note b)	13.99	14.07
Staff welfare expenses	29.35	25.25
	952.21	**788.03**
Less: Amount transferred to capital work-in-progress	11.76	-
	940.45	**788.03**

(a) Defined contribution plan

The Company contributed ₹ 36.06 (31st March 2022: ₹ 30.83) to provident fund and ₹ 7.14 (31st March 2022: ₹ 6.60) towards employee state insurance fund .

(b) Defined benefit plan

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age.

(i) The amounts recognised in the statement of profit and loss are as follows:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Current service cost	13.48	12.67
Net interest cost (net of interest on plan assets)	0.51	1.40
Total amount recognised in the statement of profit and loss	**13.99**	**14.07**

(All amounts in ₹ in Million, unless otherwise stated)

(ii) The amounts recognised in the other comprehensive income are as follows:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Actuarial gains	(3.97)	(7.02)
Total amount recognised in the other comprehensive income	**(3.97)**	**(7.02)**

(iii) Changes in present value of defined benefit obligation:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Present value of defined benefit obligation at beginning of the year	57.63	48.91
Current service cost	13.48	12.67
Interest cost	3.78	3.80
Benefits paid	(2.37)	(0.73)
Re-measurement of actuarial gains on obligation	(3.97)	(7.02)
Present value of defined benefit obligation at end of the year	**68.55**	**57.63**

(iv) The fair value of defined benefit plan assets estimated as at:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Fair value of plan assets at the beginning of the year	50.59	28.40
Add: Contributions made	-	20.51
Add: Interest income	3.26	2.41
Less: Benefits paid	(2.37)	(0.73)
Fair value of plan assets at the end of the year *	**51.48**	**50.59**

* Pertains to amount invested in Group variable employee benefit plan with HDFC Life Insurance.

(v) Reconciliation of present value of obligation and the fair value of plan assets

	For the year ended 31st March 2023	For the year ended 31st March 2022
Present value of defined benefit obligation at end of the year	68.55	57.63
Fair value of plan assets at the end of the year	51.48	50.59
Net liability recognised in the balance sheet	**17.07**	**7.04**

(vi) The assumptions used in accounting for the gratuity plan are set out as below:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Discount rate	7.45%	7.30%
Retirement age	58 years	58 years
Salary escalation	8.00%	8.00%
Attrition rate	3.45%	3.26%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

The estimates of future salary increase considered in actuarial valuation take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. The Group evaluates these assumptions annually based on its long-term plans of growth and industry standards.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

(vii) Impact on defined benefit obligation - (decrease)/increase in liability

	As at 31st March 2023	As at 31st March 2022
Assumptions		
Sensitivity level		
- Discount rate : 1.00% increase	(7.98)	(7.08)
- Discount rate : 1.00% decrease	9.66	8.60
- Future salary : 1.00% increase	8.96	7.98
- Future salary : 1.00% decrease	(7.62)	(6.75)
- Attrition rate : 50.00% increase	(0.68)	(0.80)
- Attrition rate : 50.00% decrease	0.78	0.93
- Mortality rate : 10.00% increase	(0.01)	-
- Mortality rate : 10.00% decrease	-	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

(viii) Defined benefit liability and employer contributions

The following contributions and undiscounted future benefit payments are expected:

	As at 31st March 2023	As at 31st March 2022
Expected future benefit payments		
Within 1 year	4.43	2.23
2 - 5 years	14.30	12.89
6 - 10 years	21.56	17.27
Beyond 10 years	186.16	163.71

24 FINANCE COSTS

	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest expense on:		
- Financial liabilities measured at amortised cost	467.48	358.54
- Lease liabilities	552.65	462.40
Other borrowing costs	32.65	25.20
	1,052.78	**846.14**
Less: Amount transferred to capital work-in-progress (note (i))	67.37	-
	985.41	**846.14**

25 DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended 31st March 2023	For the year ended 31st March 2022
On property, plant and equipment (refer note 4)	256.42	219.20
On other intangible assets (refer note 6)	3.54	2.77
On right-of-use assets (refer note 36)	593.83	491.24
	853.79	**713.21**

(All amounts in ₹ in Million, unless otherwise stated)

26 OTHER EXPENSES

	For the year ended 31st March 2023	For the year ended 31st March 2022
Rent	11.35	4.61
Power and fuel	319.57	232.23
Rates and taxes	40.31	65.10
Insurance	10.31	10.63
Repairs and maintenance:		
- Buildings	344.00	247.63
- Others	60.97	53.44
Advertisement expenses	504.45	341.30
Business promotion expenses	102.79	43.99
Carriage outwards	27.37	20.26
Commission expenses	107.73	80.63
Communication expenses	28.93	13.45
Sales promotion expenses	1,415.55	1,018.10
Travelling and conveyance	24.00	9.89
Postage and courier charges	13.93	6.91
Printing and stationery	24.62	20.55
Professional and consultancy charges	19.68	13.81
Payments to auditor:		
- As auditor*	5.05	3.65
- For other services	0.10	-
- Out of pocket expenses	0.12	-
Water charges	12.82	7.34
Bad debts written-off	-	-
Advances written-off	-	3.58
Director's sitting fee	4.60	1.79
Donations	0.10	1.89
Corporate social responsibility (refer note (a))	22.63	18.33
Miscellaneous expenses	7.78	12.77
	3,108.76	**2,231.88**
Less: Amount transferred to capital work-in-progress	3.02	-
	3,105.74	**2,231.88**

*excluding audit and certification fees amounting to ₹ 5.40 which have been adjusted against securities premium for the year ended 31st March 2023. Further audit fees amounting to ₹ 12.87 transferred to prepaid expenses for the year ended 31st March 2022.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

(a) Details of Corporate Social Responsibility ('CSR') expenditure

	For the year ended 31st March 2023	For the year ended 31st March 2022
a. Gross amount required to be spent by the Group during the year	22.63	18.33
b. Amount spent during the year on:		
(i) Construction/acquisition of any asset	2.12	4.58
(ii) On purposes other than (i) above	22.03	0.60
c. Shortfall at the end of the year*	(1.52)	13.15
d. Total of previous years shortfall	24.96	11.81
e. Details of related party transactions	NA	NA
f. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	NA
g. Reason for shortfall:		
For the year ended 31st March 2023 and 31st March 2022: The Company was in the process of identifying prospective project as per schedule VII of the Companies Act, 2013.		
h. Nature of CSR activities undertaken by the Group:		
(i) Healthcare support		
(ii) Education		
(iii) Rural development		

Note: Duly accrued in accordance with the accounting principles

27 INCOME TAXES

(a) Income tax expense recognised in the statement of profit and loss

	For the year ended 31st March 2023	For the year ended 31st March 2022
Statement of profit and loss:	478.26	419.18
Current tax expense	(74.34)	(60.51)
Deferred tax benefit		
	403.92	**358.67**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2023 and 31st March 2022:

	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax	1,631.92	1,397.58
At statutory income tax rate of 25.168%	410.72	351.74
Reconciling items:		
Permanent disallowances	6.83	6.13
Deduction for IPO expenses	(17.82)	-
Benefit under 80JJAA	(0.49)	(1.90)
Others	4.69	2.70
At the effective income tax rates	**403.93**	**358.67**

(c) Non-current tax assets

	As at 31st March 2023	As at 31st March 2022
Non-current tax assets	20.27	56.56

(d) Current tax liabilities

	As at 31st March 2023	As at 31st March 2022
Current tax liabilities	27.17	70.60

(All amounts in ₹ in Million, unless otherwise stated)

28 DEFERRED TAX ASSETS, NET

	As at 31st March 2023	As at 31st March 2022
The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are as follows:		
Deferred tax assets/(liabilities):		
Property, plant and equipment	(43.36)	(36.21)
Right-of-use assets	(1,589.90)	(1,270.77)
Lease liability	1,773.49	1,383.60
Statutory liabilities	4.34	1.78
Fair valuation of security deposits	83.97	70.85
Employee payables	7.94	8.95
Other temporary tax differences	14.13	18.07
Deferred tax assets, net	**250.61**	**176.27**

(a) Reconciliation of deferred tax assets/(liabilities) at the beginning and end of the year

	As at 1st April 2021	(Charged)/ credited to profit or loss	As at 31st March 2022	Charged/ (credited) to statement of profit and loss	As at 31st March 2023
Property, plant and equipment	(29.79)	6.42	(36.21)	7.15	(43.36)
Right-of-use assets	(1,000.55)	270.22	(1,270.77)	319.13	(1,589.90)
Lease liability	1,056.88	(326.72)	1,383.60	(389.89)	1,773.49
Statutory liabilities	5.14	3.36	1.78	(2.56)	4.34
Fair valuation of security deposits	60.61	(10.24)	70.85	(13.12)	83.97
Employee payables	6.35	(2.60)	8.95	1.01	7.94
Other temporary tax differences	17.12	(0.95)	18.07	3.94	14.13
	115.76	**(60.51)**	**176.27**	**(74.34)**	**250.61**

Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

29 FAIR VALUE MEASUREMENTS

(i) Break-up of financial assets and financial liabilities carried at FVTPL/FVTOCI or amortised cost:

	As at 31st March 2023		As at 31st March 2022	
	FVTPL / FVTOCI	Amortised cost	FVTPL / FVTOCI	Amortised cost
Financial assets				
Trade receivables	-	1,384.12	-	1,151.65
Cash and bank balances	-	2,658.15	-	420.38
Loans	-	11.53	-	13.13
Other financial assets	-	386.02	-	217.27
Financial liabilities				
Non-current borrowings (including current maturities of non-current borrowings)	-	1,257.40	-	618.82
Current borrowings	-	6,013.52	-	5,317.59
Trade payables	-	246.02	-	351.79
Other financial liabilities	-	235.83	-	166.68

(All amounts in ₹ in Million, unless otherwise stated)

(ii) The management assessed that cash and bank balances, trade receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(iii) In respect of fixed rate financial Liabilities, the management has assessed the carrying value of these liabilities approximates to the fair value mainly since the same are short term borrowings which are repayable on demand. Further, disclosure fair value of Lease liabilities are not presented in line with the requirements of Para 29(d) of IND AS 107.In respect of the balance of non-current financial assets and liabilities in the nature of loans and borrowings, the management has assessed the carrying value of these assets and liabilities approximates to the fair value mainly due to the interest rates are at the market rate or linked to market rate, as the case maybe.

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors is responsible for overseeing the Group's risk assessment and management policies and processes.

(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 for the Group comprises primarily of interest risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analysis in the following sections relate to the position as at 31st March 2023.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets.

The following assumptions have been made in calculating the sensitivity analysis:

(1) The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March 2023.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's variable rate borrowing is subject to interest rate risk. Below is the details of exposure to variable rate instruments:

Particulars	31st March 2023	31st March 2022
Fixed rate instruments		
Financial liabilities	2,123.68	2,632.76
Variable rate instruments		
Financial liabilities	5,147.24	3,303.65

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit before tax (PBT) is affected through the impact on floating rate borrowings, as follows:

Particulars*	31st March 2023	31st March 2022
Interest rates increase by 100bps - PBT decreases by	51.47	33.04
Interest rates decrease by 100bps - PBT increases by	(51.47)	(33.04)

* Holding all other variables constant.

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments when a counterparty defaults on its obligations. The Group's exposure to credit risk arises primarily from loans extended, security deposits, balances with bankers and trade and other receivables. The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The credit risk has always been managed by the Group through credit approvals, establishing credit limits, and continuously monitoring the credit worthiness of the customers to whom the Group grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored.

Exposure to credit risk:

At the end of the reporting year, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

(All amounts in ₹ in Million, unless otherwise stated)

Credit risk concentration profile:

At the end of the reporting year, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

Financial assets that are neither past due nor impaired:

None of the Group's cash and bank balances, loans, security deposits were past due or impaired as at 31st March 2023. Trade and other receivables including loans that are neither past due nor impaired are from various individual customers and reputed financial institutions.

Financial assets that are either past due or impaired:

The Group doesn't have any significant trade receivables or other financial assets which are either past due or impaired. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also evaluates the factors that may influence the credit risk of its customer base, including the default risk. The management has established a credit policy, procedures and controls relating to customer credit risk management under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's receivables turnover is quick and historically, there was no significant default on account of trade and other receivables. An impairment analysis is performed at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's finance team in accordance with the Group's policy. Investments of surplus funds are made only with approved and reputed banks and within credit limits assigned to each bank. The amounts invested and details of relevant banks are reviewed by the Group's Board of directors on annual basis.

(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, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Group in accordance with practice and limits set by the management.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	As at 31st March 2023	As at 31st March 2022
Less than 1 year		
- Borrowings	6,263.38	5,384.77
- Trade payables	246.02	351.79
- Lease liability	953.67	757.24
- Other financial liabilities	235.83	166.68
1 to 2 years		
- Borrowings	250.40	72.75
- Lease liability	949.32	587.20
2 to 5 years		
- Borrowings	528.56	250.82
- Lease liability	2,838.09	1,727.10
More than 5 years		
- Borrowings	228.58	228.07
- Lease liability	7,228.64	4,600.05

(d) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

31 CAPITAL MANAGEMENT

Capital includes equity and all other reserves attributable to share holders. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise share holders value. The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements.

The Group monitors capital using a gearing ratio, which is net debt divided by equity plus net debt.

The Group includes within net debt, interest bearing loans and borrowings, less cash and bank balances.

Net gearing ratio:

	As at 31st March 2023	As at 31st March 2022
Borrowings*	7,270.92	5,936.41
Less: Cash and bank balances excluding earmarked balances from IPO proceeds towards Capital Expenditure	1,692.35	420.38
Net debt	**5,578.57**	**5,516.03**
Equity	3,847.49	3,000.03
Other equity	7,995.61	2,965.08
Total equity	**11,843.10**	**5,965.11**
Total net debt and equity	**17,421.67**	**11,481.14**
Gearing ratio	**32.02%**	**48.04%**

*Total borrowings include non-current borrowings and current borrowings.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31st March 2023.

There have been no changes made in the objectives, policies or processes for managing capital during the year ended 31st March 2023.

32 SEGMENT REPORTING

The Group is engaged in the business of electronics retail and wholesale trade through its retail stores and online platforms to customers. The Group does not distinguish revenues, costs and expenses between segments in its internal reporting, and reports costs and expenses by nature as a whole. The CODM reviews the results when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable segment. The Group operates and manages its business as a single segment mainly by facilitating the sale of products through the stores and online platforms. As the Group's long-lived assets are all located in India and the Group's revenues are derived from India, no geographical information is presented.

Information about geographical areas

The Group has operations only in India, hence there are no separately reportable geographical segments for the Group as per the requirements of Ind AS 108 – "Operating Segments".

Information about major customers

There is no single customer or customer group who accounts for more than 10% of the total revenue of the Group.

33 CONTINGENT LIABILITIES

	As at 31st March 2023	As at 31st March 2022
(i) Claims against the Group not acknowledged as debts	10.84	12.34

Note: The Group has received an order from the National Anti-Profiteering Authority of the Central Goods and Services Tax Act, 2017 demanding an amount of ₹ 3.43 alleging certain non-compliances with the anti-profiteering regulations of the Goods and Services Act, 2017. The management has filed necessary appeals in this regard with the appropriate appellate authorities which is pending for adjudication as at the date of the consolidated financial statements. However, on the basis of its internal assessment of the nature of the allegations, the facts of the case and an independent advise received in this regard, management is confident of resolving this matter in favour of the Group.

(All amounts in ₹ in Million, unless otherwise stated)

34 CAPITAL AND OTHER COMMITMENTS

	As at 31st March 2023	As at 31st March 2022
Capital commitments	473.11	1,281.95

35 RELATED PARTY DISCLOSURES

(a) Names of related parties and nature of relationship

Names of the related parties	Nature of relationship
Pavan Kumar Bajaj	Key managerial personnel ('KMP')
Karan Bajaj	
Astha Bajaj	
Premchand Devarakonda	
Rajiv Kumar	
Prem Bajaj	Relatives of KMP
Renu Bajaj	
Kanwal Bajaj (Joined w.e.f 1st January 2023)	
Seema Narula	
Anil Rajendra Nath	Independent Directors
Mirza Ghulam Muhammad Baig	
Suman Kumar (Resigned w.e.f 6th May 2022)	
Jyotsna Angara (Joined w.e.f 14th May 2022)	

(b) Transactions with related parties

	For the year ended 31st March 2023	For the year ended 31st March 2022
Rent paid		
Pavan Kumar Bajaj	14.42	12.70
Karan Bajaj	1.14	1.01
Renu Bajaj	1.01	0.89
Seema Narula	2.28	1.52
Transaction with key management personnel		
Managerial Remuneration*# (Short-term employee benefits)	99.44	98.55
Remuneration*		
Prem Bajaj	2.49	2.57
Kanwal Bajaj	0.60	-
Director's sitting fees		
Mirza Ghulam Muhammad Baig	1.75	0.68
Anil Rajendra Nath	1.50	0.63
Jyotsna Angara	1.25	-
Suman Kumar	0.10	0.49

***Excluding employer's contribution to defined contribution plans and provision made for defined benefit plans.**

#Includes medical expense reimbursement amounting to ₹ 18.11 for the year ended 31st March 2023 (31st March 2022 :₹12.36)

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (Contd.)

(All amounts in ₹ in Million, unless otherwise stated)

(c) Balances receivable/(payable)

	As at 31st March 2023	As at 31st March 2022
Karan Bajaj (including security deposit receivable of ₹ 0.83)	(1.42)	(1.42)
Pavan Kumar Bajaj (including security deposit receivable of ₹ 10.45)	7.32	7.32
Astha Bajaj	(1.25)	(1.25)
Prem Bajaj	(0.21)	(0.21)
Premchand Devarakonda	(0.81)	(0.67)
Rajiv Kumar	(0.29)	(0.16)
Kanwal Bajaj	(0.20)	-
Seema Narula	(0.17)	(0.17)
Renu Bajaj (including security deposit receivable of ₹ 0.74)	0.59	0.59

(d) (i) All the secured non-current borrowings amounting to ₹ Nil (31st March 2022: ₹ 618.82) and current borrowings from HDFC Bank Limited amounting to ₹ 3,889.84 (31st March 2022: ₹ 2,684.83), have been personally guaranteed by Pavan Kumar Bajaj, Karan Bajaj and Renu Bajaj.

(ii) The working capital facility from HDFC bank is also secured by way of pledge of certain personal properties of Pavan Kumar Bajaj, Karan Bajaj and Renu Bajaj.

(iii) All secured current borrowings from Bajaj Finance Limited amounting to ₹ 995.70 (31st March 2022: ₹ 995.80), have been personally guaranteed by Pavan Kumar Bajaj and Karan Bajaj.

(iv) All the secured non-current borrowings from ICICI bank, Axis bank and Bajaj finance Limited amounting to ₹ 1,257.40 (31st March 2022: ₹ Nil), have been personally guaranteed by Pavan Kumar Bajaj and Karan Bajaj

(e) 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. The settlement for these balances occurs through payment. There have been no guarantees provided or received for any related party receivables or payables. The assessment of Impairment of receivables relating to amount owed by related parties is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

36 LEASES

(a) The movement in lease liabilities during the year ended 31st March 2023 is as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	5,551.77	4,199.29
Add: Additions during the year	1,821.21	1,487.85
Add: Impact of reassessment of lease liability for the year	6.88	25.50
Add: Interest accrued during the year	552.65	462.40
Less: Payment of lease liabilities	813.52	599.07
Less: Rent concessions during the year	-	3.67
Less: De-recognised during the year	72.38	20.53
Balance at the end of the year	**7,046.61**	**5,551.77**
Bifurcation of lease liability as on :		
Current lease liabilities	389.39	313.22
Non-current lease liabilities	6,657.22	5,238.55
	7,046.61	**5,551.77**

(b) The details of the contractual maturities of lease liabilities as at year ended on an undiscounted basis are as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Less than one year	953.67	757.24
One to five years	3,787.41	3,011.18
More than five years	7,228.64	5,817.52
Total	**11,969.72**	**9,585.94**

The Group does not face a significant liquidity risk with regard to its current lease liabilities as the current assets are sufficient to meet the current obligations related to lease liabilities.

Rental expense recorded for short-term leases was ₹ 7.73 (31st March 2022: ₹ 1.00) for the year ended 31st March 2023.

(All amounts in ₹ in Million, unless otherwise stated)

The future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities are -

1) Leases not yet commenced to which the Company is committed amounts to 31st March 2023: ₹ 71.78 (31st March 2022: ₹ 139.59).
2) Variable lease payments based on sales amounts to 31st March 2023: ₹ 3.62 (31st March 2022: ₹ 3.61).

(c) The movement in right-of-use assets during the year ended is as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	5,049.14	3,975.47
Add: Additions during the year	1,915.70	1,557.56
Add: Impact of reassessment of lease liability for the year	4.76	25.50
Less: Depreciation expense accrued during the year	593.83	491.24
Less: De-recognised during the year	58.63	18.15
Balance at the end of the year	**6,317.14**	**5,049.14**

37 ADDITIONAL DISCLOSURE AS REQUIRED UNDER PARAGRAPH 2 OF 'GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS' OF THE SCHEDULE III TO THE ACT:

The consolidated subsidiary, Cloudnine Retail Private Limited have not commenced activities, hence its share in the consolidated net assets, consolidated profit and share in consolidated other comprehensive income as at and for the year ended 31st March 2023 is negligible. Therefore, disclosures as required under paragraph 2 of the "General Instructions for Preparation of Consolidated Financial Statements" of the Schedule III to the Act, is not included in these consolidated financial statements.

38 DISCLOSURE OF RELATIONSHIP WITH STRUCK OFF COMPANIES

Details of transactions entered into by the Group with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 are as follows:

Name of struck off Company	Nature of transactions	As at 31st March 2023	As at 31st March 2022	Relationship with the struck off company, if any, to be disclosed
VLN Sun Broad Band (India) Private Limited	Payables	(0.02)	(0.02)	None
Sun Enterprises Private Limited	Payables	-	-	
Vardhaman Enterprises Limited	Payables	(0.01)	(1.07)	None

39 DISCLOSURES PURSUANT TO THE REQUIREMENT AS SPECIFIED UNDER PARAGRAPH 6(L)(IX)(A) AND (B) OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF BALANCE SHEET OF SCHEDULE III TO THE ACT:

For the year ended 31st March 2022:

For the purpose of reporting under this clause, management has provided disclosures only with respect to information on trade receivables, inventories and net advances [advances to vendors less trade payable] furnished to the lenders. The details of disagreement between current assets as furnished to the lenders and as per books as disclosed below, mainly attributed to the use of estimated information prior to completion of all the book closure activities such as accrual of incentives, valuation of inventories, recording cut-off related adjustments etc. In order to avoid such differences, management has sought and obtained extention of due date by 7 days to provide relevant and accurate current assets details to the bankers with effect from the quarter ended 31st December 2021.

Quarter ended	Particulars	Amount as per Books	Amount as reported to the lenders	(Excess)/ Short
30th September 2021	Inventories	5,974.52	6,792.69	(818.17)
	Trade Receivables	785.44	424.21	361.23
	Net Advances	498.31	288.25	210.06
30th June 2021	Inventories	4,559.19	4,554.34	4.85
	Trade Receivables	814.38	184.17	630.21
	Net Advances	254.59	3,239.56	(2,984.97)

Note: The above details were also furnished to HDFC Bank Limited and Bajaj Finance Limited, for the quarters ended 30th June 2021 and 30th September 2021.

SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES AND
OTHER EXPLANATORY INFORMATION (Contd.)
(All amounts in ₹ in Million, unless otherwise stated)

40 (i) 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 Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries).

(ii) The Group has not received any fund from any party (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries..

41 Previous year's figures have been regrouped/ rearranged, wherever necessary, in order to conform to current year's presentation. Refer table below for the nature of reclassification, amount reclassified and reason for such reclassification.

Nature of the reclassification	Amount	Reasons for Such change
(a) Provision for Sales return which were earlier net off against Trade receivables have been now grouped under to Short term provisions	72.32	The same have been regrouped to conform to current year's presentation.
(b) Creditors for Expenses Which were earlier grouped under Other Current Financial Liabilities have been now regrouped Under :		As per Para 11 of IND AS 37, Trade payables include liabilities towards goods and services. Hence, the creditors for expenses which are in nature of dues towards services received have been regrouped to Trade Payables. Further, Rent payable was included under creditors for expenses, the same have been regrouped under current lease liabilities for better presentation.
- Trade Payables	103.73	
- Current Lease Liabilities	54.3	

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 26 May 2023

For and on behalf of the Directors of
Electronics Mart India Limited

Pavan Kumar Bajaj
Managing Director
DIN: 07899635

Karan Bajaj
Wholetime Director & CEO
DIN: 07899639

Premchand Devarakonda
Chief Financial Officer

Rajiv Kumar
Company Secretary

Place: Hyderabad
Date: 26 May 2023

NOTICE

ELECTRONICS MART INDIA LIMITED

CIN: L52605TG2018PLC126593
Registered Office: 6-1-91, Shop No. 10, Ground Floor,
Next to Telephone Bhavan, Secretariat Road, Saifabad, Hyderabad – 500004
Website: www.electronicsmartindia.com Email ID: cs@bajajelectronics.in

NOTICE OF 05TH ANNUAL GENERAL MEETING

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

Dear Members,

Notice is hereby given that the 05th Annual General Meeting ("AGM/ Meeting") of the members of Electronics Mart India Limited (the "Company") will be held on Wednesday, 23rd August 2023 at 12:30 PM through the Video Conference ("VC") / other Audio-Visual Means ("OAVM") to transact the following items of the business:

ORDINARY BUSINESS:

1. **Adoption of Audited Financial Statements**

   a. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2023, together with the Board's Report and Auditor's Reports thereon.

   b. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2023, together with Auditor's Reports thereon.

2. Appointment of Mrs Astha Bajaj (DIN: 07899784) as a Director, who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS:

3. **Approval for the re-appointment of and remuneration payable to Mr Pavan Kumar Bajaj (DIN: 07899635) as "Managing Director" of the Company for a period of 05 (five) w.e.f. 01st October 2023.**

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

   "Resolved that pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions, if any, along with Schedule V of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to re-appoint Mr Pavan Kumar Bajaj (DIN: 07899635) as the Managing Director of the Company for a further period of 05 (five) years with effect from 01st October 2023 to 30th September 2028 (both days inclusive), on the following terms and conditions including remuneration with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration as may be agreed to between the Board of Directors and Mr Pavan Kumar Bajaj or as may be varied in the General Meeting, subject to the same not exceeding the limits specified under Schedule V of the Act or any statutory modification(s) or re-enactment thereof: -

   i. **Annual Salary** – ₹ 22 Million per annum to be paid monthly. The annual salary shall be divided into components per the Company's rules.

   ii. **Annual Performance Bonus** – Bonus not exceeding 1% of the Company's net profit calculated as per the Companies Act, 2013, on the recommendation of the Nomination and Remuneration Committee and approval of the Board.

   iii. **Perquisites –** The Company shall provide a rent-free Residential Accommodation (fully furnished) bearing the cost of repairs, maintenance, society charges, and utilities for the said accommodation and car with chauffeur as per the norms of the Company.

   iv. **Medical reimbursement -** Reimbursement of actual medical expenses incurred, whether in India or aboard, for self and family as per the norms of the Company.

   v. **Other Perquisites and Facilities –** as per the norms of the Company.

   Resolved further that the Board of Directors be and is hereby authorised to do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution and to authorise any of the Directors and/ or key managerial personnel of the Company to take necessary actions on behalf of the Company in this regard."

4. **Approval for the re-appointment of and remuneration payable to Mr Karan Bajaj (DIN: 07899639) as Whole-time Director of the Company for a period of 05 (five) w.e.f. 01st October 2023, designated as "Chief Executive Officer".**

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

"Resolved that pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions, if any, along with Schedule V of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to re-appoint Mr Karan Bajaj (DIN: 07899639) as the Whole time Director designated as "Chief Executive Officer" of the Company for a further period of five years with effect from 01st October 2023 to 30th September 2028 (both days inclusive), on the following terms and conditions including remuneration with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration as may be agreed to between the Board of Directors and Mr. Karan Bajaj or as may be varied in the General Meeting, subject to the same not exceeding the limits specified under Schedule V of the Act or any statutory modification(s) or re-enactment thereof:

i. **Annual Salary –** ₹ 24 Million per annum to be paid monthly. The annual salary shall be divided into components per the Company's rules.

ii. **Annual Performance Bonus –** Bonus not exceeding 1% of the Company's net profit calculated as per the Companies Act, 2013, on the recommendation of the Nomination and Remuneration Committee and approval of the Board.

iii. **Perquisites –** The Company shall provide a rent-free Residential Accommodation (fully furnished) bearing the cost of repairs, maintenance, society charges, and utilities for the said accommodation and car with chauffeur as per the norms of the Company.

iv. **Medical reimbursement -** Reimbursement of actual medical expenses incurred, whether in India or aboard, for self and family as per the norms of the Company.

v. **Other Perquisites and Facilities –** as per the norms of the Company.

Resolved further that the Board of Directors be and is hereby authorised to do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution and to authorise any of the Directors and/ or key managerial personnel of the Company to take necessary actions on behalf of the Company in this regard."

5. **Approval for the re-appointment of and remuneration payable to Mrs Astha Bajaj (DIN: 07899784) as Whole-time Director of the Company for a period of 05 (five) w.e.f. 01st October 2023, designated as "Executive Director".**

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

"Resolved That pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions, if any, along with Schedule V of the Companies Act, 2013 ("Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to re-appoint Mrs Astha Bajaj (DIN:07899784) as Whole- time Director designated as "Executive Director" of the Company for a further period of five years with effect from 01st October 2023 to 30th September 2028 (both days inclusive), on the following terms and conditions including remuneration with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration as may be agreed to between the Board of Directors and Mrs. Astha Bajaj or as may be varied in the General Meeting, subject to the same not exceeding the limits specified under Schedule V of the Act or any statutory modification(s) or re-enactment thereof:

i. **Annual Salary –** ₹ 15 Million per annum to be paid monthly. The annual salary shall be divided into components per the Company's rules.

ii. **Perquisites –** The Company shall provide a rent-free Residential Accommodation (fully furnished) bearing the cost of repairs, maintenance, society charges, and utilities for the said accommodation and car with chauffeur as per the norms of the Company.

iii. **Medical reimbursement -** Reimbursement of actual medical expenses incurred, whether in India or aboard, for self and family as per the norms of the Company.

iv. **Other Perquisites and Facilities –** as per the norms of the Company.

"Resolved Further That the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall deem to include any Committee of the Board) shall, in accordance with the statutory limits/approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment and/or remuneration, from time to time, as it may deem fit and to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper and expedient to give effect to this Resolution."

6. **Approval for the re-appointment of Mr Mirza Ghulam Muhammad Baig (DIN: 08281763) as an Independent Director for a second term of 05 (five) consecutive years.**

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

"Resolved That pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, read with Schedule IV of the Companies Act, 2013 ('Act') and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended, and on the recommendation of the Nomination and Remuneration Committee and on the approval of the Board of Directors, Mr Mirza Ghulam Muhammad Baig (DIN: 08281763), Independent Director of the Company, who gave consent for re-appointment and submitted a declaration to the Company that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second term of 05 (five) consecutive years commencing from 03rd December 2023 to 02nd December 2028 (both days inclusive).

Resolved Further That the Board of Directors be and is hereby authorised to do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution and to authorise any of the Directors and/or key managerial personnel of the Company to take necessary actions on behalf of the Company in this regard."

7. **Approval for the appointment of Col. Gurdeep Singh (Retd.) (DIN: 07499896) as Independent Director for a term of 05 (five) consecutive years.**

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

"Resolved that Col. Gurdeep Singh (Retd.) (DIN: 07499896), who was appointed as an Additional Director of the Company under the Independent Category with effect from 26th July 2023, by the Board of Directors of the Company, in terms of Section 161 of the Companies Act, 2013 ('Act') read with related rules (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and Article 111 of the Articles of Associations of the Company, and who is eligible for the appointment and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

Resolved further that pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors for appointment of Col. Gurdeep Singh(Retd.) (DIN: 07499896) as an Additional Director under the Independent Capacity of the Company with effect from 26th July 2023, who has submitted a declaration that he meets the criteria for the| independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and is eligible for appointment, be and is hereby appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a period of 05(five) years with effect from 26th July 2023 to 25th July 2028 (both days inclusive).

Resolved further that the Board of Directors be and is hereby authorised to do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution and to authorise any of the Directors and/or key managerial personnel of the Company to take necessary actions on behalf of the Company in this regard."

8. **Approval for maintenance of Registers of Members, other Statutory Registers, and annual returns at a place other than the Registered office of the Company**

To consider, and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Section 94 (1) and other applicable provisions of the Companies Act, 2013 ('Act") and rules framed thereunder, consent of the members be and is hereby accorded to keep and maintain the Register of Members, Register of Debenture holders, the Index of Members / Debentures holders if any, required to be maintained under section 88 of the Act, at the office of the Registrar and Share Transfer Agent of the Company, i.e., **KFin Technologies Limited** at Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India – 500032 and to keep and maintain copies of the annual returns which the Company require to file and maintain under the Section 92 of the Act, **Corporate Office** of the Company at 6-3-666/A1 to 7, 3rd and 4th Floors, Opp. NIMS Hospital, Punjagutta, Main Road, Hyderabad – 500082 instead of Registered Office of the Company."

By order of the Board of Directors
For **Electronics Mart India Limited**

Rajiv Kumar
Company Secretary
M. No. A42082

Date: 26th July 2023
Place: Hyderabad

NOTES:

1. An Explanatory Statement setting out all material facts as required under Section 102 of the Companies Act, 2013, in respect of the special business of the Company is appended and forms part of the Notice.

2. Profile of Mrs Astha Bajaj (DIN: 07899784), who is being re-appointed as Whole-time Director, annexed to Notice and Report on Corporate Governance.

3. The Ministry of Corporate Affairs ("MCA") vide its Circular dated 05th May 2020, read with Circulars dated 08th April 2020, 13th April 2020, 13th January 2021, 14th December 2021, 05th May 2022 and 28th December 2022 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January 2021, SEBI/HO/DDHS/P/CIR/2022/0063 dated 13th May 2022, and SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated 05th January 2023 has permitted the holding of the Annual General Meeting ("AGM") through Video Conference/Other Audio Visual Means, without the physical presence of the Members at a common venue. Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circulars issued by MCA and SEBI, 05th AGM of the Company being conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) hereinafter called as "e- AGM".

   e-AGM: The Company has appointed KFin Technologies Limited (KFintech), Registrars and Transfer Agents, to provide Video Conferencing (VC) / Other Audio-Visual Means (OAVM) facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.

4. Pursuant to the provisions of the circulars on the VC / OAVM (e-AGM), members can attend the meeting through login credentials provided to them to connect to Video Conference (VC) / Other Audio-Visual Means (OAVM). The Physical attendance of the Members at the Meeting venue is not required. Since the AGM will be conducted through VC / OAVM, there is no requirement of appointment of proxies. Hence, Proxy Form and Attendance Slip, including Route Map, are not annexed to this Notice.

5. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/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 to the Scrutinizer by email through its registered email address to acs.vinod@gmail.com with a copy marked to cs@bajajelectronics.in.

6. As per Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialised form with effect from, 01st April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for the ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrars and Transfer Agents, KFin Technologies Limited.

7. In line with the Ministry of Corporate Affairs ("MCA") vide its Circular dated 05th May 2020, read with Circulars dated 08th April 2020, 13th April 2020, 13th January 2021, 14th December 2021, 05th May 2022 and 28th December 2022 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January 2021 SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022, and SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated 05th January 2023, the Notice calling the e-AGM and Annual Report has been uploaded on the website of the Company at https://investors.electronicsmartindia.com/notices. The Notice can also be accessed from the websites of the Stock Exchange i.e., NSE Limited at https://www.nseindia.com/ and BSE Limited at https://www.bseindia.com respectively. The Notice and Annual Report are also available on e-voting agency KFin Technologies Limited's website at https://evoting.kfintech.com.

8. The Annual Report for the Financial year ended 31st March 2023 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s), owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's Report or other documents required to be attached therewith (together referred to as Annual Report).

9. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialised form may contact their respective depository participant(s) for recording nomination in respect of their shares.

12. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company. In case of joint holders, the Member whose name appears as the first holder in the order

of names as per the Register of Members of the Company will be entitled to vote at the AGM.

17. The attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE E-AGM THROUGH VIDEO CONFERENCE / OTHER AUDIO-VISUAL MODE:

1. **Attending the e-AGM:** Members will be able to attend the AGM through VC / OAVM or view the live webcast of the AGM at https://emeetings.kfintech.com/ by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM. 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. Further, Members can also use the OTP-based login for logging into the e-voting system.

2. Members are encouraged to join the Meeting through Laptops with Google Chrome for a better experience.

3. Further, Members will be required to allow a Camera, if any, and hence use the Internet at a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspots may experience Audio/Video loss due to fluctuations in their respective network. Therefore, Stable Wi-Fi or LAN Connection is recommended to mitigate any aforesaid glitches.

5. Facility of joining the AGM through VC / OAVM shall be open 15 minutes before the time scheduled for the AGM.

6. Those Members who register themselves as speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.

7. **Submission of Questions/queries prior to e-AGM:**

   Members desiring any additional information with regard to Accounts/Annual Reports or having any questions or queries are requested to write to the Company Secretary on the Company's investor email- id, i.e., cs@bajajelectronics.in between 18th August 2023 (09.00 Hours IST) to 21st August 2023 (17.00 Hours IST), so as to enable the Management to keep the information ready. Please note that members' questions will be answered only if they continue to hold the shares as of the cut-off date. Alternatively, members holding shares as on the cut-off date may also visit https://evoting.kfintech.com/ and click on the tab "Post Your Queries Here" to post their queries/views/questions in the window provided by mentioning their name, demat account number/folio number, email ID, mobile number.

8. Speaker Registration before e-AGM: Shareholders who wish to register as speakers at the AGM are requested to visit https://emeetings.kfintech.com and register themselves between 18th August 2023 (09.00 Hours IST) to 21st August 2023 (17.00 Hours IST). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

9. Facility of joining the AGM through VC / OAVM shall be available to 1,000 members on first come first served basis. However, the participation of members holding 2% or more shares, promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, and Auditors are not restricted on first come first served basis.

10. Members who need technical assistance before or during the AGM can contact KFintech at https://evoting.kfintech.com/.

INSTRUCTIONS FOR E-VOTING:

In terms of the provisions of Sections 108 and 109 of the Companies Act, 2013 (the Act) read with Rules 20 and 21 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this Section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to exercise votes on the items of business given in the Notice through the electronic voting system to members holding shares as on 17th August 2023 (End of Day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the e-voting process both remote e-voting and e-voting during e-AGM.

The remote e-Voting period commences on Sunday, 20th August 2023, at 9.00 a.m. (IST) and ends on Tuesday, 22nd August 2023, at 5.00 p.m. (IST). Kfin shall disable the remote e-voting module for voting thereafter. The Members whose names appear in the Register of Members/Beneficial Owners as of the cut-off date, i.e., 17th August 2023, may 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 of the cut-off date.

The procedure and instructions for e-voting are as follows:

Step 1:

Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 2

Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Details on Step 1 are mentioned below:

Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of the e-Voting Event Number (EVEN), USER ID, and password. They will have to follow the following process:

A. Launch the internet browser by typing the URL: https://evoting.kfintech.com.

B. Enter the login credentials provided in the email and click on Login.

C. Password change menu appears when you log in for the first time with a default password. You will be required to change the default password mandatorily.

D. The new password should comprise a minimum of 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9), and a special character (@,#, $, etc.).

E. If prompted, Update your contact details like mobile number, email address, etc. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

F. Login again with the new credentials.

G. On successful login, the system will prompt you to select the "EVENT", i.e., "Electronics Mart India Limited."

H. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together shall not exceed your total shareholding as mentioned above. If the member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

I. Members holding multiple folios s may choose to vote differently for each folio/ demat account.

J. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm or "CANCEL" to modify. Once you confirm the voting on the resolution, you will not be allowed to modify your vote thereafter. During the voting period, members can login multiple times and vote until they confirm the voting on the resolution by clicking "SUBMIT".

K. Corporate/institutional members (i.e., other than individuals, HUF, NRI, etc.) are required to send a scanned image (PDF/ JPG format) of certified true copy of relevant board resolution/authority letter, etc., together with an attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutiniser through email at and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'EMIL _EVENT No. 7365.

L. In case of any queries/grievances, you may refer to the Frequently Asked Questions (FAQs) for Members at https://evoting.kfintech.com/public/Faq.aspx or call KFin at 1800 – 309 - 4001 (Toll-Free).

Details on Step 2 are mentioned below:

Login method for remote e-Voting for Individual shareholders holding securities in demat mode:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter your User ID and Password. Post successful authentication, click on "Access to e-Voting". IV. Click on the Company name or e-Voting service provider, and you will be redirected to the e-Voting service provider's website for casting a vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** I. To register, click on the link: https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow the steps given in point no.1

Type of shareholders	Login Method
	3. Alternatively, by directly accessing the e-Voting website of NSDL I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login", which is available under the 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number held with NSDL), Password / OTP, and a Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e., KFintech. V. On successful selection, you will be redirected to the KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing users who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi. III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links to ESP, i.e., KFintech e-Voting portal. V. Click on the e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1. **3. Alternatively, by directly accessing the e-Voting website of CDSL.** I. Visit URL: www.cdslindia.com II. Provide your Demat Account Number and PAN No. III. System will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. IV. After successful authentication, the user will be provided links for the respective ESP, i.e., KFintech, where the e-Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	I. You can also log in using the login credentials of your demat account through your DP registered with NSDL /CDSL for the e-Voting facility. II. Once logged in, you will be able to see the e-Voting option. Once you click on the e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see the e-Voting feature. III. Click on options available against the Company name or e-Voting service provider – KFintech. You will be redirected to the e-Voting website of KFintech to cast your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve their User ID/ Password are advised to use Forget User ID and Forget Password options available at respective websites.

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

Login type	Helpdesk details
Securities held with NSDL	Please get in touch with the NSDL helpdesk by sending a request to evoting@nsdl.co.in or call at toll-free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please get in touch with the CDSL helpdesk by sending a request to helpdesk.evoting@cdslindia.com or contact at 022 - 2305 8738 or 022 -2305 8542 / 43

Those members who have not yet registered their email addresses are requested to get their email addresses registered with KFin, by following the procedure mentioned below:

Visit the link: AGM/EGM – Mobile & Email Registration https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

A. Select the Company name, i.e., ELECTRONICS MART INDIA LIMITED

B. Select the Holding type from the drop-down i.e., NSDL / CDSL / Physical

C. Enter DPID – Client ID (in case shares are held in electronic form) / Physical Folio No. (in case shares are held in physical form) and PAN.

D. If PAN details are unavailable in the system, the system will prompt you to upload a self-attested copy of the PAN card for updating records.

E. In case shares are held in physical form, and PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.

F. Enter the email address and mobile number.

G. System will validate DP ID – Client ID/ Physical Folio No. and PAN / Share certificate No., as the case may be, and send the OTP at the registered Mobile number as well as the email address for validation.

H. Enter the OTPs received by SMS and email to complete the validation process. OTPs validity will be for 5 minutes only.

I. The Notice and e-voting instructions, along with the User ID and Password, will be sent to the email address updated by the member.

J. Alternatively, members may send an email request addressed to einward.ris@kfintech.com along with the scanned copy of the request letter duly signed by the first shareholder, providing the email address, mobile number, self-attested copy of PAN and Client Master copy in case shares are held in electronic form or copy of the share certificate in case shares are held in physical form, to enable KFin to register their email address and to provide them the Notice and the e-voting instructions along with the User ID and Password.

K. Please note that in case the shares are held in electronic form, the above facility is only for temporary registration of email address for receipt of the Notice and the e-voting instructions along with the User ID and Password. Such members will have to register their email address with their DPs permanently so that all communications are received by them in electronic form.

L. In case of queries, members are requested to write to einward.ris@kfintech.com or call at the toll-free number 1-800- 309-4001.

INSTRUCTIONS FOR MEMBERS FOR VOTING DURING THE E-AGM SESSION:

1. The e-voting window shall be activated upon instructions of the Chairman during the e-AGM.
2. E-voting during the AGM is integrated with the VC platform, and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.
3. Members/shareholders attending the e-AGM through Video Conference and who are yet to cast their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through the e-voting system available during the e-AGM.
4. Members who have voted through Remote e-Voting will be eligible to attend the e-AGM. However, they shall not be allowed to cast their vote again during the e-AGM.

GENERAL INFORMATION:

1. The Company's equity shares are Listed at the National Stock Exchange of India Limited, Exchange Plaza, Plot No: C/1, G Block, Bandra Kurla Complex- Bandra(E), Mumbai - 400051 and BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai - 400001, Maharashtra, India, and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2022-23.
2. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at KFIN Technologies Limited (Unit: Electronics Mart India Limited), Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy - 500032, Telangana, India.
3. Register of Directors and Key Managerial Personnel (KMP) and their shareholding under Section 170 of the Companies Act, 2013 and the rules made thereunder, and Register of Contracts maintained under Section 189 of the Companies Act, 2013 and the rules made thereunder are available for inspection at the registered office of the Company.

2\. As required under Listing Regulations and Secretarial Standard - 2 on General Meetings, details in respect of Directors seeking appointment/re-appointment at the Annual General Meeting are separately annexed hereto. Directors seeking appointment / re-appointment have furnished requisite declarations under Section 164(2) and other applicable provisions of the Companies Act, 2013, including rules framed thereunder.

By order of the Board of Directors
For **Electronics Mart India Limited**

Rajiv Kumar
Company Secretary
M. No. A42082

Date: 26th July 2023
Place: Hyderabad

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

ITEM NO. 3

Mr Pavan Kumar Bajaj was appointed as the Managing Director of the Company for five years, effective 01st October 2018 to 30th September 2023, and the members approved the appointment at the Extra Ordinary General Meeting of the Company held on 23rd October 2018. Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors, at its meeting held on 26th July 2023, re-appointed Mr Pavan Kumar Bajaj as the Managing Director for a further period of 05 (Five) years with effect from 01st October 2023 to 30th September 2028 subject to the approval of the members of the Company at the ensuing Annual General Meeting.

Members' approval is sought for the appointment and remuneration payable to Mr Pavan Kumar Bajaj with the terms and conditions as mentioned below: -

I. Period:

05 (Five) years with effect from 01st October 2023 till 30th September 2028 with the liberty to either party to terminate the appointment on three months' notice in writing to the other.

II. Remuneration for the above-mentioned period

i. **Annual Salary –** ₹ 22 Million per annum to be paid monthly. The annual salary shall be divided into components per the Company's rules.

ii. **Annual Performance Bonus –** Bonus not exceeding 1% of the Company's net profit calculated as per the Companies Act, 2013, on the recommendation of the Nomination and Remuneration Committee and approval of the Board.

iii. **Perquisites –** The Company shall provide a rent-free Residential Accommodation (fully furnished) bearing the cost of repairs, maintenance, society charges, and utilities for the said accommodation and car with chauffeur as per the norms of the Company.

iv. **Medical reimbursement -** Reimbursement of actual medical expenses incurred, whether in India or aboard, for self and family as per the norms of the Company.

v. **Other Perquisites and Facilities –** as per the norms of the Company.

Mr Pavan Kumar Bajaj satisfies all the conditions set out in Part - I of Schedule V to the Act and conditions set out under Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Mr Pavan Kumar Bajaj has vast experience in managing the Company's business affairs and in view of his indispensable position & increased responsibilities in Managing the Whole of the Affairs of the Company. Under the dynamic leadership and able guidance of Mr Pavan Kumar Bajaj, your Company has been growing exponentially over the past few years. This growth, to a large extent, is attributable to the incessant hard work and dedication of Mr Pavan Kumar Bajaj. As the Managing Director of the Company, his contribution is immense and has been instrumental in the growth of the Company both in terms of revenue and profits. His passion for innovation and commitment to excellence has been instrumental in establishing your Company as a trusted destination for consumers seeking high-quality electronic products. He has fostered a culture of customer-centricity within the organisation, emphasizing the importance of personalised service, product knowledge, and after-sales support.

As the founder and promoter of the Company, Mr Pavan Kumar Bajaj deeply understands the Company's vision, mission, and long-term goals. His vision and leadership skills are instrumental in guiding the organisation and ensuring alignment with its core values. The promoter's continued involvement can help maintain the strategic direction and preserve the Company's unique identity.

Over the course of building the business, he developed a strong relationship and network with various reputed Financial Institutions, Brands, and OEMs. These connections can facilitate strategic partnerships, collaborations, and access to resources such as funding, suppliers, and distribution channels. Leveraging these networks can provide the Company with a competitive advantage and open doors to new opportunities.

He possesses a unique ability to foster innovation, adapt quickly to changing market conditions, and identify new growth avenues. The Company can tap into this entrepreneurial energy by reappointing him and maintaining its innovative culture.

His reappointment can instill confidence among various stakeholders, including employees, investors, customers, and partners. Stakeholders trust his leadership greatly, which can steer the Company toward continued growth and profitability.

He has an intimate knowledge of the Company's history that can be invaluable in making strategic decisions, avoiding unviable steps, and capitalising on past achievements.

The additional details of Mr Pavan Kumar Bajaj, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the Annexure A forming part of this Notice.

Mr Pavan Kumar Bajaj, being the appointee, Mr Karan Bajaj, being his son, and Mrs Astha Bajaj, being his daughter-in-law and their relatives, are interested in the said resolution set out at Item No. 3 in the Notice.

Your Board recommends the passing of the Special Resolution set out at Item No. 3 of the Notice for approval by the shareholders in the interest of the Company.

ITEM NO. 4

Mr Karan Bajaj was appointed as the Whole-time Director of the Company for a period of 05 (five) years, effective 01st October 2018 to 30th September 2023, and the said appointment was approved by the members at the Extra Ordinary General Meeting of the Company held on 23rd October 2018. Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors, at its meeting held on 26th July 2023, re-appointed Mr Karan Bajaj (DIN: 07899639) as Whole-time Director, liable to retire by rotation, for a further period of 05 (Five) Years with effect from 01st October 2023 to 30th September 2028 subject to the approval of the Shareholders of the Company at the ensuing Annual General Meeting. The Company has received from Mr Karan Bajaj his consent to act as the Whole-time Director of the Company in Form DIR-2 and the declaration that he is not disqualified for being appointed as a Director in Form DIR-8. The Board, while re-appointing Mr Karan Bajaj as Whole-time Executive Director of the Company, considered his background, experience, and contributions to the Company.

Members' approval is sought for the appointment and remuneration payable to Mr Karan Bajaj with the terms and conditions as mentioned below: -

I. Period:

05 (Five) years with effect from 01st October 2023 till 30th September 2028 with the liberty to either party to terminate the appointment on three months' notice in writing to the other.

II. Remuneration for the above-mentioned period

i. **Annual Salary –** ₹ 24 Million per annum to be paid monthly. The annual salary shall be divided into components per the Company's rules.

ii. **Annual Performance Bonus –** Bonus not exceeding 1% of the Company's net profit calculated as per the Companies Act, 2013, on the recommendation of the Nomination and Remuneration Committee and approval of the Board.

iii. **Perquisites –** The Company shall provide a rent-free Residential Accommodation (fully furnished) bearing the cost of repairs, maintenance, society charges, and utilities for the said accommodation and car with chauffeur as per the norms of the Company.

iv. **Medical reimbursement -** Reimbursement of actual medical expenses incurred, whether in India or aboard, for self and family as per the norms of the Company.

v. **Other Perquisites and Facilities –** as per the norms of the Company.

Mr Karan Bajaj satisfies all the conditions set out in Part - I of Schedule V to the Act and conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Mr Karan Bajaj is a dynamic and visionary leader with extensive experience in the retail industry, specifically in the consumer electronics sector. As the CEO of Electronics Mart, a leading consumer electronics retailer, Karan has played a crucial role in driving the Company's growth, innovation, and customer-centric approach. With a deep understanding of the ever-evolving consumer electronics market, Karan has successfully positioned Electronics Mart as a trusted destination for cutting-edge technology products. Under his leadership, the Company has consistently exceeded industry standards, achieving remarkable revenue growth and establishing a robust brand presence.

The additional details of Mr Karan Bajaj, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the **Annexure - A** forming part of this Notice.

Mr Karan Bajaj, being the appointee, Mrs Astha Bajaj, being his spouse, and Mr Pavan Kumar Bajaj, being his father, and their relatives are interested in the said resolution set out at Item No. 4 in the Notice.

Your Board recommends the Resolution for approval of the Members as an Ordinary Resolution as set out in item no. 4 of the notice in the interest of the Company.

ITEM NO. 5

Mrs Astha Bajaj was appointed as the Whole-time Director of the Company for a period of five years, effective 01st October 2018 to 30th September 2023, and the said appointment was approved by the Shareholders at the Extra Ordinary General Meeting of the Company held on 23rd October 2018. Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors, at its meeting held on 26th July 2023, re-appointed Mrs Astha Bajaj as Whole-time Director, liable to retire by rotation for a further period of 5 (Five) years with effect from 01st October 2023 to 30th September 2028 subject to the approval of the Shareholders of the Company at the ensuing Annual General Meeting.

Members' approval is sought for the appointment and remuneration payable to Mrs Astha Bajaj with the terms and conditions as mentioned below: -

I. Period:

05 (Five) years with effect from 01st October 2023 till 30th September 2028 with the liberty to either party to terminate the appointment on three months' notice in writing to the other.

II. Remuneration for the above-mentioned period

i. **Annual Salary –** ₹ 15 Million per annum to be paid monthly. The annual salary shall be divided into components per the Company's rules.

ii. **Perquisites –** The Company shall provide a rent-free Residential Accommodation (fully furnished) bearing the cost of repairs, maintenance, society charges, and utilities for the said accommodation and car with chauffeur as per the norms of the Company.

iii. **Medical reimbursement -** Reimbursement of actual medical expenses incurred, whether in India or aboard, for self and family as per the norms of the Company.

iv. **Other Perquisites and Facilities –** as per the norms of the Company.

Mrs Astha Bajaj is a dynamic and accomplished leader with extensive experience in managing corporate social responsibility (CSR) projects and formulating corporate policies. With a deep commitment to sustainability, social impact, and ethical practices, Astha has consistently demonstrated a keen understanding of the interconnectedness between business success and responsible corporate citizenship. With a track record of driving positive change and fostering stakeholder engagement, she has impacted organisations and communities. Astha is a highly accomplished director with a distinguished career in corporate social responsibility and corporate policy management.

The additional details of Mrs Astha Bajaj, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards issued by the Institute of Company Secretaries of India are set out in Annexure 3 forming part of this Notice.

Mrs Astha Bajaj, being the appointee, Mr Karan Bajaj, being her spouse, and Mr Pavan Kumar Bajaj, being her father-in-law, and their relatives, are interested in the said resolution set out at Item No. 5 in the Notice.

Your Board recommends the Resolution for approval of the Members as an Ordinary Resolution as set out in item no. 5 of the notice in the interest of the Company.

ITEM NO. 6

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder, the members of the Company, at the Adjourned Extra Ordinary General Meeting held 10th December 2018, appointed Mr Mirza Ghulam Muhammad Baig as an Independent Director of the Company, for a period of 05 (Five) years from 03rd December 2018 to 02nd December 2023 not liable to retire by rotation.

The Board of Directors and Nomination and Remuneration Committee, considering the expertise, experience, and contribution made by Mr Baig during the first term and based on his performance evaluation, approved his re-appointment as Independent Director for a second consecutive period of 05 (five) years effective 03rd December 2023 to 02nd December 2028 subject to the approval of members at this Annual General Meeting.

Mr Baig has consented for re-appointment as an Independent Director for the Second Term of 05 (five) consecutive years.

Further, the Company has received declarations from Mr Baig that he continues to meet the criteria of Independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended.

Also, as per the confirmation received from him, he is not disqualified from being re-appointed as Director in terms of Section 164 of the Companies Act, 2013.

Mr Baig has confirmed that he has registered himself in the database for Independent Directors. In the opinion of the Nomination and Remuneration Committee and the Board, Mr Baig is independent of the Management.

Mr Baig has spent decades working in various roles and organisations, acquiring invaluable knowledge and insights. Such experience brings a unique perspective to the boardroom and contributes to effective decision-making.

His ability to analyse situations from different angles and draw upon his past experiences can be invaluable in strategic planning, tax compliance, and risk management.

The Brief profile of Mr Baig, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards on General Meetings (SS-2), is provided separately in Annexure A to this notice.

A copy of the letter of appointment for independent directors, setting out the terms and conditions of appointment, is available on the Company's website, i.e., www.electronicsmartindia.com.

Except Mr Baig, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution set out in Item No. 6.

The Board recommends the special resolution with respect to the appointment of Mr Baig as an Independent Director of the Company, as set out in Item No. 6, for the approval of the members as a Special Resolution.

ITEM NO. 7

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board appointed Col. Gurdeep Singh (Retd.) as an Additional Director of the Company under Independent Category with effect from 26th July 2023 subject to the approval of the members of the Company at their 05th Annual General Meeting.

The Brief profile of Col. Gurdeep Singh (Retd.), pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided separately in Annexure A to this notice. A copy of the letter of appointment for independent directors, setting out the terms and conditions of appointment, is available on the Company's website, i.e., www.electronicsmartindia.com.

The Company received a notice in writing from a member proposing the candidature of Col. Gurdeep Singh (Retd.) to be appointed as a Director of the Company.

The Company has received a declaration from Col. Gurdeep Singh (Retd.) confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Company has also received Col. Gurdeep Singh (Retd.)'s consent to act as a Director in terms of section 152 of the Companies Act, 2013, and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Col. Gurdeep Singh (Retd.) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and he is independent of the management. Considering Col. Gurdeep Singh (Retd.)'s knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years with effect from 26th July 2023.

Except for Col. Gurdeep Singh (Retd.), being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution set out at Item No. 7.

The Board recommends the Special Resolution with respect to the appointment of Col. Gurdeep Singh (Retd.) as an Independent Director of the Company, as set out in Item No. 7, for the approval of the members as a Special Resolution.

ITEM NO.8

In accordance with Section 94 and other provisions of the Companies Act, 2013 ('Act') read with the Companies (Management and Administration) Rules, 2014, certain documents such as the Registers and Indexes of Members and Debenture holders and certain other registers, certificates, documents, etc. ('Registers and Records'), are required to be kept at the Registered Office of the Company. However, these Registers and Records can be kept at any other place in India in which more than one-tenth of the total members entered in the register of members reside if approved by a Special Resolution passed at a general meeting of the Company.

KFin Technologies Limited was appointed as the Company's Registrar and Share Transfer Agent ('RTA'), who has been providing depository-related services for the shares held in demat mode and acting as a share transfer agent for the shares held in physical mode. Hence, the approval of the members is sought in terms of Section 94 (1) of the Act for keeping the registers under Section 88 of the Act at the premises of the RTA as stated in the Resolution.

Further, in the interest of operational and administrative convenience, it is proposed to maintain the copies of annual returns under Section 92 of the Act and copies of certificates and documents required to be annexed thereto at the Corporate Office of the Company as stated in the Resolution instead of Registered Office of the Company.

The Board recommends the special resolution set in Item No. 8 of the Notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way interested in the special resolution set out under the said Item No. 8 of the Notice.

ANNEXURE A

Details of Directors seeking appointment/re-appointment at the 5th Annual General Meeting to be held on 23rd August 2023

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Pavan Kumar Bajaj

Name of the Director	**Pavan Kumar Bajaj**
Date of Birth/Age	16th October 1954 / 69 years
Date of First Appointment	10th September 2018
Relationship with Directors and Key Managerial Personnel	Mr Pavan Kumar Bajaj is the father of Mr Karan Bajaj, Chief Executive Officer, and the father-in-law of Mrs Astha Bajaj, Executive Director.
Terms and Conditions of Appointment and Reappointment	Terms and conditions of appointment, including remuneration sought to be paid to him, are more particularly stated in the Explanatory Statement for Item No. 3 of this notice.
Remuneration sought to be paid	
Remuneration paid during the 2022-23	₹ 22 Million
No. of Board Meetings during the 2022-23	7 out of 7
List of other Companies in which Directorship is held	Cloudnine Retail Private Limited EMIL CSR Foundation
Chairperson*/ Member of Committee(s) of the Board of Directors of the Company	Audit Committee
Chairperson*/ Member of the Committee(s) of the Board of Directors of other Companies in which he is a Member/ Chairperson	Nil
Number of Equity shares held in the Company as 31st March 2023	152,057,999
Brief Profile	Mr Pavan Kumar Bajaj is the founder, promoter, and Chairman & Managing Director of your Company. He appeared for the examination for a bachelor's degree in commerce held at Osmania University and has over 40 years of experience in the electronics consumer durables retail business.

Karan Bajaj

Name of the Director	**Karan Bajaj**
Date of Birth/Age	20th March 1987 / 36 years
Date of First Appointment	10th September 2018
Relationship with Directors and Key Managerial Personnel	Mr Karan Bajaj is the son of Mr Pavan Kumar Bajaj, Managing Director, and the spouse of Mrs Astha Bajaj, Executive Director.
Terms and Conditions of Appointment and Reappointment	Terms and conditions of appointment, including remuneration sought to be paid to him, are more particularly stated in the Explanatory Statement for Item No. 4 of this notice.
Remuneration sought to be paid	
Remuneration paid during the 2022-23	₹ 24 Million
No. of Board Meetings during the 2022-23	7 out of 7
List of other Companies in which Directorship is held	Cloudnine Retail Private Limited EMIL CSR Foundation
Chairperson*/ Member of Committee(s) of the Board of Directors of the Company	Finance Committee* Corporate Social Responsibility Committee Risk Management Committee Stakeholders Relationship Committee
Chairperson*/ Member of the Committee(s) of the Board of Directors of other Companies in which he is a Member/ Chairperson	Nil
Number of Equity shares held in the Company as 31st March 2023	147,878,566
Brief Profile	Mr Karan Bajaj holds a bachelor's degree in commerce from Osmania University and a postgraduate diploma in international management from the University of Strathclyde. He has over 12 years of experience in retail business management.

Astha Bajaj

Name of the Director	Astha Bajaj
Date of Birth/Age	28th March 1990 / 33 years
Date of First Appointment	10th September 2018
Relationship with Directors and Key Managerial Personnel	Mrs Astha Bajaj is the spouse of Mr Karan Bajaj, Chief Executive Officer, and the daughter-in-law of Mr Pavan Kumar Bajaj, Managing Director.
Terms and Conditions of Appointment and Reappointment	Terms and conditions of appointment, including remuneration sought to be paid to her, are more particularly stated in the Explanatory Statement for Item No. 5 of this notice.
Remuneration sought to be paid	
Remuneration paid during the 2022-23	₹ 15 Million
No. of Board Meetings during the 2022-23	6 out of 7
List of other Companies in which Directorship is held	Cloudnine Retail Private Limited EMIL CSR Foundation
Chairperson*/ Member of Committee(s) of the Board of Directors of the Company	Corporate Social Responsibility Committee* Stakeholders Relationship Committee
Chairperson*/ Member of the Committee(s) of the Board of Directors of other Companies in which he is a Member/ Chairperson	Nil
Number of Equity shares held in the Company as 31st March 2023	13,278
Brief Profile	Mrs Astha Bajaj holds a bachelor's degree in science from Gujarat University and a master's in biochemistry from Nirma University. She has over six years of experience in business management.

Mirza Ghulam Muhammad Baig

Name of the Director	**Mirza Ghulam Muhammad Baig**
Date of Birth/Age	17th July 1951 / 72 years
Date of First Appointment	03rd December 2018
Relationship with Directors and Key Managerial Personnel	None
Terms and Conditions of Appointment and Reappointment	Proposed to be reappointed as an Independent Director for a second term of 05 (Five) consecutive year
Remuneration sought to be paid	Remuneration shall comprise sitting fees paid for attending the Board and Committee meetings
Remuneration paid during the 2022-23	₹ 1.75 Million was paid as sitting fees for attending the Board and Committee meetings.
No. of Board Meetings during the 2022-23	7 out of 7
List of other Companies in which Directorship is held	Nil
Chairperson*/ Member of Committee(s) of the Board of Directors of the Company	Nomination and Remuneration Committee* Risk Management Committee* Finance Committee
Chairperson*/ Member of the Committee(s) of the Board of Directors of other Companies in which he is a Member/ Chairperson	Nil
Skills and Capabilities	Tax Management Risk Management
Qualification	Master's degree in arts from Osmania University
Number of Equity shares held in the Company as 31st March 2023	Nil
Brief Profile	• Mr Baig has over 31 years of experience in tax administration and has served as a Deputy Commissioner. • He was also associated with Deloitte Touch Tohmatsu India Private Limited in the capacity of a support consultant – revenue and tax administration from 2013 to 2015 for a project funded by the Department of International Development. • He has also worked with the World Bank in the capacity of • a short-term consultant in 2015.

Col. Gurdeep Singh (Retd.)

Name of the Director	**Col. Gurdeep Singh (Retd.)**
Date of Birth/Age	13th April 1956 / 67 years
Date of First Appointment	Not applicable
Relationship with Directors and Key Managerial Personnel	None
Terms and Conditions of Appointment and Reappointment	Proposed to be appointed as an Independent Director for a period of 05 (Five) consecutive year
Remuneration sought to be paid	Remuneration shall comprise of sitting fees paid for attending the Board and Committee meetings
Remuneration paid during the 2022-23	Nil
No. of Board Meetings during the 2022-23	Not applicable
List of other Companies in which Directorship is held	Nil
Chairperson*/ Member of Committee(s) of the Board of Directors of the Company	Not applicable
Chairperson*/ Member of the Committee(s) of the Board of Directors of other Companies in which he is a Member/ Chairperson	Nil
Skills and Capabilities	• Team Building, Training & Leadership • PR/Media Management • Contract Negotiations • Supply Chain & Warehouse Management • Budget/Financial Management • Business Development &Strategy
Qualification	Bachelor of Arts from Osmania University
Number of Equity shares held in the Company as 31st March 2023	Nil
Brief Profile	• More than 10 years of experience (post-release from the Indian Army) as the State Head (Head Operations) in PVT COY dealing with the defence, home ministries, PSUs, and Ordnance factories. • Worked for a short while (1992-1994) with the Bureau of Civil Aviation Security, Ministry of Civil Aviation, at Mumbai. • 28 years of rich experience in the largest Logistic echelon of the Indian Army Ordnance Corps, & have practical experience in Logistics Support, Supply Chain Management, Bomb Disposal, Arms and Ammunition Management and planning, Procurement & Materials Management, Inventory & Warehouse Management and so on. Public Relations, Budgeting, Operations & Security functions have been my forte all through. Opted for pre-mature release as a Director from Integrated head Quarters MIN of DEFENCE.

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EMI®
Electronics Mart India Limited

M. No. 6-3-666/A1 To 7 - 3rd floor,
Opp. NIMS Hospital, Panjgutta Main Road,
Hyderabad, Telangana 500082 | Ph. : 040 - 23230244
www.electronicsmartindia.com

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