KDDL Limited

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Fax: +91 172 2548302, Website:www.kddl.com ; CIN-L33302HP1981PLC008123

Ref: KDDL/CS/2024-25/48

Date: 6th September, 2024

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra,
Mumbai - 400 051

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

Trading Symbol : KDDL

Scrip Code : 532054

Subject: Annual Report for the financial year 2023-24 and Notice convening 44th Annual General Meeting (AGM) of the Company

Dear Sir/ Madam,

Pursuant to regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed copy of Annual Report for the financial year 2023-24 and Notice convening 44th Annual General Meeting (AGM) of the Company

Please take the above information on record.

Thanking you,

Yours truly

For KDDL Limited

Brahm Prakash Kumar
Digitally signed by Brahm Prakash Kumar
Date: 2024.09.06 23:47:50 +05'30'

Brahm Prakash Kumar
Company Secretary

KDDL Limited

Annual Report 2023-24

People.
Passion.
Precision.
Progression.

ACROSS THE PAGES

For more investor-related information, please visit
https://www.kddl.com/financial-dashboard-yearly/

Or simply scan

Investor Information

Market Cap	: BSE: Rs. 3,133.00 Crores
	NSE: Rs. 3,074.41 Crores
CIN	: L33302HP1981PLC008123
BSE Code	: 532054
NSE Symbol	: KDDL
Interim Dividend	: Rs. 58 per share
Final Dividend	: Rs. 4 per share
AGM Date and Time	: Friday, 27th September 2024 at 12:00 p.m. IST
AGM Mode	: Video Conferencing (VC)/Other Audio-Visual Means (OAVMs)

Disclaimer

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

PEOPLE. PASSION. PRECISION. PROGRESSION.

In the ever-evolving landscape of horology and precision engineering, KDDL Limited stands as a paragon of excellence and innovation. Our journey is defined by the pillars of People, Passion, Precision, and Progression, each representing a core aspect of our Ethos and strategic vision.

People are at the heart of KDDL Limited. Our workforce is the engine of our achievements, driving forward with skill, dedication, and a shared vision for the future. This year, we have strengthened our commitment to nurturing talent and fostering a culture of inclusivity and collaboration. Our recent human resources initiatives, including advanced training programmes and employee engagement activities, have been pivotal in enhancing productivity and job satisfaction, making KDDL as a workplace of choice in the industry.

Passion fuels our relentless pursuit of excellence. We have continued to channel our passion into every aspect of our operations, from design innovation to customer engagement. Our new state-of-the-art facility in Bengaluru, equipped with cutting-edge technology, stands as a testament to our dedication to quality and craftsmanship. This facility is not just a production hub but a beacon of our commitment to pushing the boundaries of what is possible in watchmaking.

Precision remains the cornerstone of our success. Our focus on precision engineering has not only elevated our product offerings but also strengthened our position in the global market. The recent surge in demand for our precision-stamped components and progressive tools underscores our capability to meet stringent international standards. This precision is reflected in every product we craft, ensuring that we consistently deliver unparalleled quality to our customers.

Progression is our guiding principle as we look to the future. This year, we have made significant progress in expanding our market reach and enhancing our digital presence. By leveraging digital marketing and social media, we have not only broadened our audience but also deepened our engagement with customers. The positive response from these initiatives has been encouraging, reinforcing our commitment to continuous improvement and innovation.

As we reflect on our journey and the milestones we have achieved, we remain steadfast in our mission to create value and drive progress. KDDL Limited is not just a company; it is a legacy of excellence that we are building, one that resonates within and beyond our organisation. Together, guided by our core values, we look forward to a future filled with possibilities and growth.

GROWING ACROSS PARAMETERS

FINANCIAL

We prioritise quality standards, operational efficiency, and staying responsive to changing consumer trends. This commitment is reflected in our robust consolidated financial performance across key metrics in 2023-24.

Rs. 1,420 Crores
Total Revenue
^ 24.7%

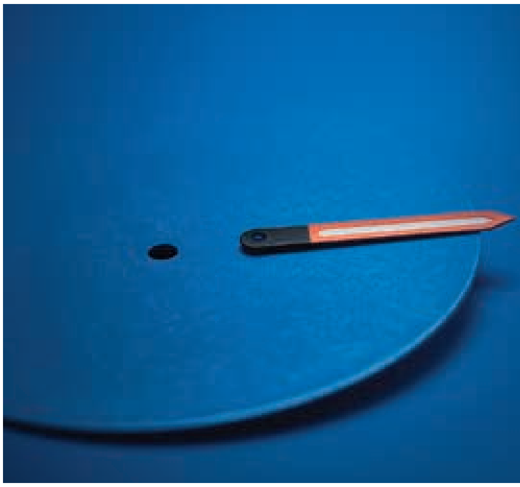
Rs. 277 Crores
EBITDA
^ 53%

Rs. 138 Crores
PAT
^ 79%

19.5%
EBITDA Margin
^ 363 bps

9.7%
PAT Margin
^ 292 bps

^y-o-y growth in 2023-24 over 2022-23



SALES AND PARTNERSHIPS

We prioritise quality standards, operational efficiency, and staying responsive to changing consumer trends. This commitment is reflected in our robust financial performance across key metrics in 2023-24.

60+
Premium and Luxury Watch Brands

XX
Partnership with Prestigious Brands

ENVIRONMENT

We are committed to minimising resource consumption, reducing waste generation, and mitigating environmental impact at every stage of the product lifecycle.

25,384.7 GJ
Total Energy Consumption

28.8 Metric Tonnes
Waste Reduction

GOVERNANCE

We emphasise on the essential role of a strong governance framework in guiding our path to success. With a well-established structure, we uphold responsible practices, adhere to stringent guidelines, and prioritise ethical principles to achieve our goals.

6
Independent Directors

SOCIAL

People

We trust in our people's power to drive progress and shape our present. We prioritise their well-being and professional growth, fostering an inclusive culture. As an equal-opportunity employer, we embrace diversity in the workplace.

2,282
Total Employees

552
Women's Representation in the Workforce

8
Differently Abled/Special Employees

Community

We prioritise the welfare of our surrounding communities through sustainability programmes and CSR initiatives. This has a significant impact on community well-being. Our employees demonstrate their philanthropic spirit through volunteering and community engagement.

Rs. 9 Lacs
Grant Aid to SayTrees

Rs. 8.25 Lacs
Grant Aid to SankalpTaru

40 YEARS OF CRAFTING TIMELESS PRECISION

KNOW MORE ABOUT OUR...

...Identity

KDDL initiated in 1983 for manufacturing watch components, headquartered in Chandigarh, also known as KDDL ('We', or 'The Company') is renowned for operating the largest retail chain of luxury watches in India under the name 'Ethos'. The Company offers over 60 premium and luxury watch brands. Customers can select from a range of over 7,000 watches spanning premium, bridge-to-luxury, luxury, and high luxury segments. The Company exclusively deals with more than 42+ brands within the country.

In addition to luxury watch retail, KDDL ventured into the retail of certified pre-owned luxury watches in 2019. Furthermore, the Company expanded its portfolio by introducing luxury travel accessories, Rimova and Messika brands (Jewellery).

...Expertise

KDDL is a prominent industry leader in the manufacturing of watch and precision components, which includes watch dials, watch hands, indexes, appliques, precision stamped components, and progressive tools. These components are utilised by reputable brands domestically and in export markets, particularly in Switzerland, the epicentre of the luxury and premium watch industry.

Moreover, our precision engineering division manufactures stamped components, progressive tools, molds, and sub-assemblies. This helps us cater to diverse industries such as electrical and electronics, automobiles, consumer durables, industrial applications, aerospace and defence, as well as alternate and renewable energy segments.

...Vision

To become a trusted global leader in manufacturing of watch components and precision engineered tools by adhering to the best quality, delivery, and operations practices for ensuring customer satisfaction.

...Differentiators

1 Leading Watch Component Manufacturer

KDDL is a prominent manufacturer and supplier of watch components, renowned for its excellence in the industry.

2 Proven Track Record

KDDL has a lengthy history of meeting strict quality standards set by esteemed watch manufacturers in India and Switzerland.

3 Global Relationships

KDDL maintains strong ties with luxury watch manufacturers worldwide, showcasing its global reach and influence in the market.

4 Customised Expertise

KDDL specialises in meeting customised requirements of luxury watch manufacturers while adhering to rigorous global quality standards.

5 Trusted Partner

Through consistent delivery of exceptional products, KDDL has earned the trust of luxury watch manufacturers, thereby becoming a reliable partner in the industry.

6 Unparalleled Excellence

KDDL not only precisely meets customer needs but also offers unparalleled excellence in its products and services.

7 Precision Engineering Success

In precision engineering, we boast a continuous track record of serving major multinational corporations across diverse industrial segments.

8 High Standards of Quality, Delivery, and Performance

At KDDL, we excel in providing high-quality products with timely delivery and superior performance. This has earned us a reputable standing in the precision engineering business.

9 Segment Expansion

By leveraging our internal strengths, capabilities, and quality certifications, we successfully expand our presence in various market segments.

10 Fast Turnaround Time and Competitive Products

At KDDL, our fast turnaround time and competitive products contribute to our success in the precision engineering sector.

KEY FACTS

7,000+

Varieties of Premium and Ultra-Premium Watches

42+

Exclusive Brands in the Country under KDDL's Ambit

OUR ORGANISATIONAL FRAMEWORK

KDDL LIMITED

Listed on BSE Ltd. and NSE Limited
Manufacturer of Watch Components (Watch Dials and Hands)

Subsidiaries

Ethos
Premium and Luxury Watch Retail Holds
53.83%
Along with its Wholly Owned Subsidiary

Mahen Distribution Limited (MDL)
Luxury Lifestyle Products Holds
100%
Ownership

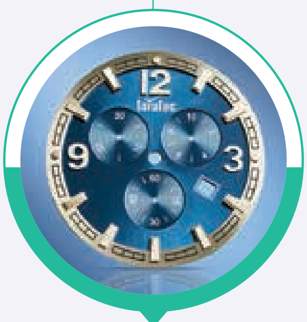
Pylania SA
Watch Component Manufacturer Holds
100%
Ownership

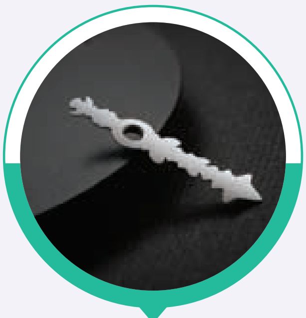
Estima AG
Watch Hands and Dials Manufacturer Holds
100%
Ownership

Kamla International Holdings SA (KIH)
Special Purpose Vehicle SPV Holds
100%
Ownership

PART OF KDDL

TARATEC





Manufacturing

- Watch Dials
- Watch Hands
- Index and Appliques
- Bracelet

Eigen Engineering

Stamped Components and Progressive Tools Manufacturer

Packaging Unit

Ornamental Packaging.

OUR JOURNEY THROUGH ERAs

1983

Started production of watch dials in Parwanoo, India, for the Indian market

1990

KDDL's second factory became operational in Bengaluru, India

1995

Expanded and began exporting dials to Switzerland

1996

Began production of watch hands in Bengaluru, India

1998

Adopted the brand name TARATEC for export

2003

Started retailing of luxury watches through Ethos' first store in Chandigarh, India

2006

Established EIGEN precision stamping division in Bengaluru, India

2012

Established new watch hands factories in Bengaluru, India

2023

Started bracelet division

2022

Ethos' equity shares listed on BSE Ltd. and NSE limited through IPO

2020

Started watch index and appliques unit in Bengaluru, India

2019

Acquired watch hand factory (ESTIMA) in Grenchen, Switzerland

2016

Ethos became India's largest retailer of premium luxury watches

2018

EIGEN moved to new factory in Aerospace Industrial Park, Bengaluru, India

SHOWCASING OUR CRAFTSMANSHIP OF PRECISION

For 40 years, KDDL has been a leader in precision manufacturing, offering high-quality watch components and precision engineering solutions. Our commitment to innovation, quality, and sustainability drives excellence across all our product offerings and services.

LUXURY WATCH RETAILS

Ethos: Luxury Watch Retails

Established in 2003 as 'Kamla Retail Limited' and now known as Ethos, we have grown to become India's largest chain of luxury watch boutiques. With over two decades of brand presence, we retail luxury watches throughout the Indian subcontinent. Our omnichannel presence and dedicated customer service enhance the experience for watch enthusiasts. With a rising young population, growing per capita income, urbanisation, and increased participation of women in the workforce, our luxury retail watch business is poised for significant growth over the next decade.

Our Statistic

Rs. 1,89,844

Average Sale Price in 2023-24

Our Presence

60

Stores and Counting

23

Cities

Our Range

7,000+

Premium Watch SKUs

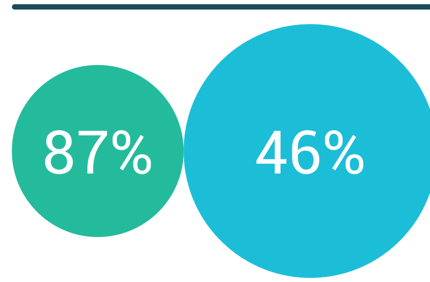
60+

Luxury Brands Associated with Us

5

New Partnerships with Prestigious Watch Brands in 2023-24

Our Customers



New Customer Enrolment

Repeat Customers

6 Reasons to Choose Ethos

1

Licensed Distributor

Largest luxury watch retailer in India. Each watch shown on our podium is intricately detailed and comes with a warranty backed by the Ethos stamp of assurance.

2

Trust

Our Ethos revolves around prioritising the customer, fostering open communication, and delivering on promises. Committed to transparency, integrity, and ethical business practices, we aim to build lasting relationships with our clients.

3

Vast Selection

With a presence in over 60 stores across India, Ethos displays a premium collection of watches, featuring more than 60 brands and over 7,000 diverse watches. This expansive range ensures that our customers have a plethora of choices.

4

Smart Staff and Chic Boutiques

The Ethos management has meticulously selected knowledgeable staff to provide their expertise. Additionally, our boutiques are designed to be beautiful and fashionable, enhancing the overall buyer's experience.

5

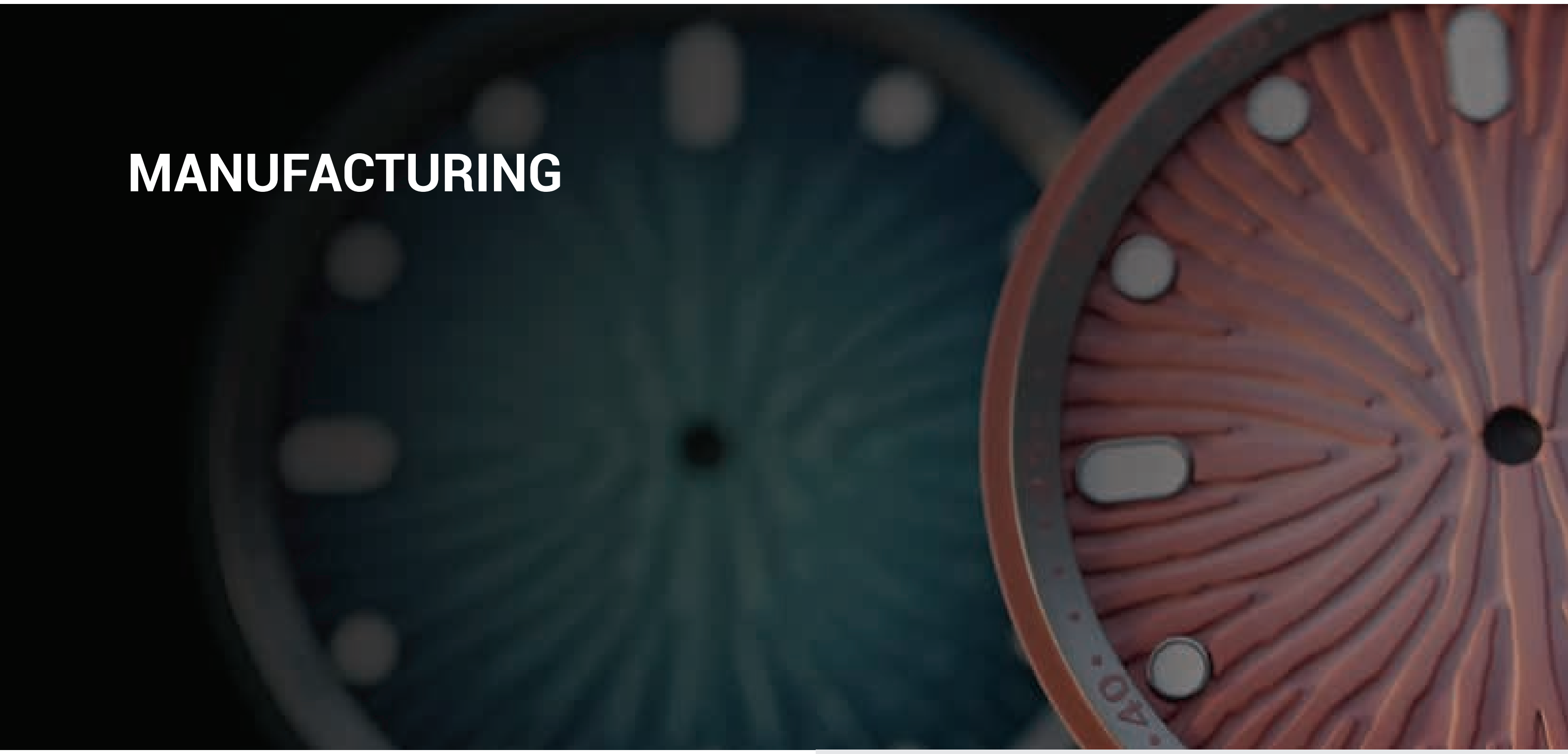
Top-Notch Service

At Ethos, we are dedicated to creating an enduring bond with customers through our quality after-sales service. With several service stations in multiple cities, we ensure that our customers' watches last for generations.

6

Loyalty Programme

As participants in Ethos' Club ECHO Loyalty Programme, customers enjoy the privilege of accruing and redeeming points regularly. They also receive exclusive invitations to attend collector events, indulge in wine tasting sessions, and unlock a myriad of enticing perks such as gifts, and rewards among others.



MANUFACTURING

TARATEC: Watch Dials and Hands

TARATEC KDDL has gained a market reputation of being the manufacturer of premium watch dials and hands and indexes for some of the renowned watch brands all over the world. We employ state-of-the-art technology along with advanced manufacturing processes.

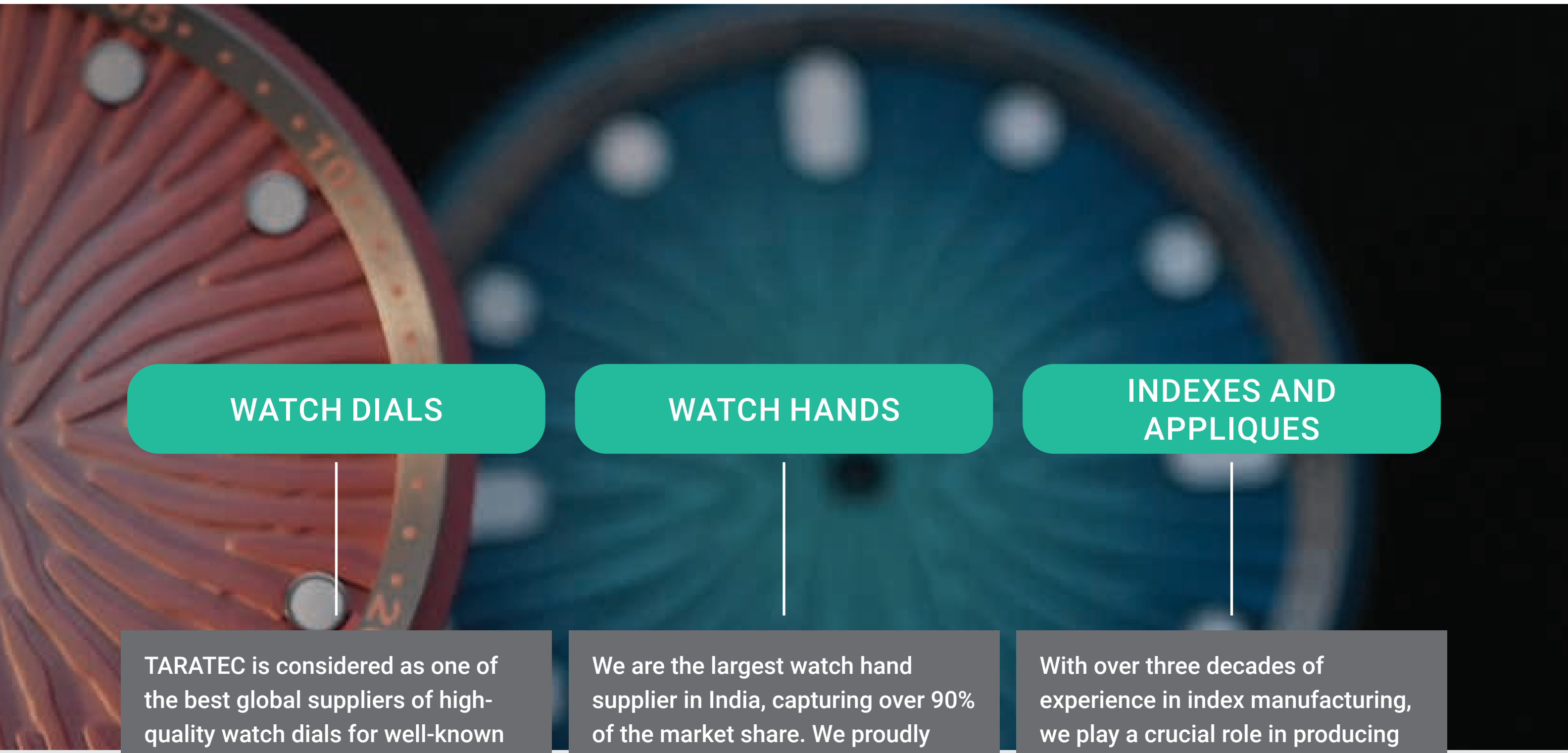
Product scenario of TARATEC

OVERVIEW

PRODUCTS

INFRASTRUCTURE

PROCESS



WATCH DIALS

TARATEC is considered as one of the best global suppliers of high-quality watch dials for well-known brands in Switzerland, India, and other countries around the world.

- Sunray Finish
- Skeleton Plate
- Brushing Mosaic Look
- Special Print Dials, Among Others

We operate two factories near Chandigarh, along with a dedicated dial assembly facility, employing approximately 917 workers and staff. Most of the tools required for manufacturing watch dials are made in-house. To ensure the highest quality, our production lines are segregated by quality standards.

We pay utmost attention to every detail, employing the latest technologies such as CNC milling, laser application, and digital printing. This is complemented by a highly skilled manual workforce as required. Our design team creates top-notch designs based on customer prototypes, while our ERP (SAP) system seamlessly links production and planning-to-sales.

WATCH HANDS

We are the largest watch hand supplier in India, capturing over 90% of the market share. We proudly partner with more than 50 Swiss brands.

- Diamond Cut Hands
- Super Polished Formed Hands
- Polycarbonate, Avional, and Brass Disc Hands, Among Others

We operate two factories in Bengaluru with a workforce of over 416 employees. Our capacity and capability is flexible to meet quality requirements across various market segments.

We employ multiple processes to manufacture watch hands tailored to our customers' needs. Our two principal manufacturing methods are:

- Piece-by-Piece Production
- On-Band Automated Production

Our sample and prototype department enable us to deliver unique products quickly while maintaining the highest quality standards.

INDEXES AND APPLIQUES

With over three decades of experience in index manufacturing, we play a crucial role in producing and customising watch indices and appliques for brands worldwide.

- Numeric
- Window Frame
- Lacquered, Among Others

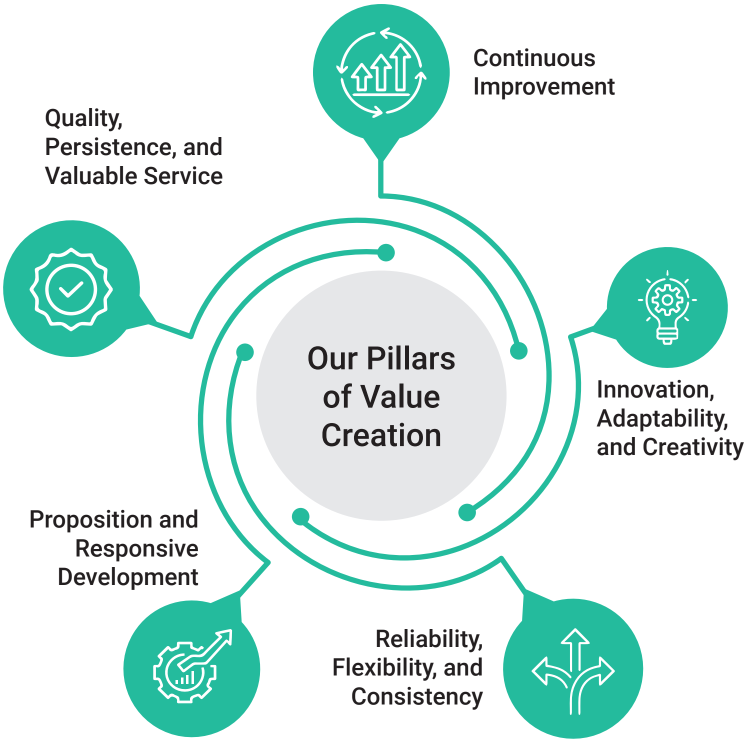
Our manufacturing facilities are strategically located in two places in India: Parwanoo near Chandigarh and Bengaluru. With these locations, we can cater to market requirements, which will further help us diversify the risk.

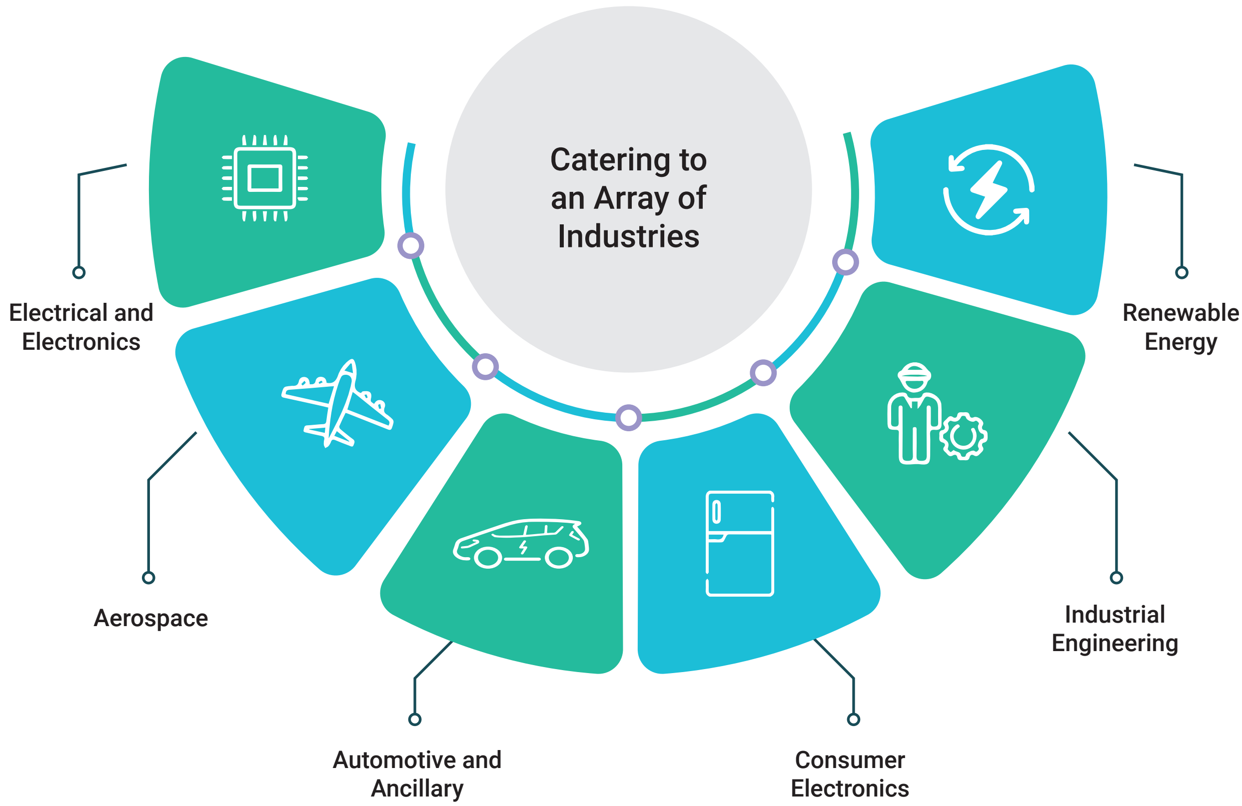
We deploy the latest technologies to fulfil the requirements of diverse customers. Additionally, our dedicated design and development team always strives to bring something new to the table with the assistance of the New Product Development (NPD) cell. The processes undertaken in these stages of development are supported by ERP (SAP) software.

EIGEN: PRECISION ENGINEERING

EIGEN is a leader in precision metal stamping. It specialises in precision die design, progressive die development, and the manufacturing of metal stamping components, and plastic injection molds. Additionally, our expertise extends to electroplating, sub-assemblies, and value-added services. With certifications, including ITAF 16949, ISO AS 9100 D, ISO 45001:2018, ISO 14001:2015, and ISO 9001:2015, we uphold the highest standards in our operations.

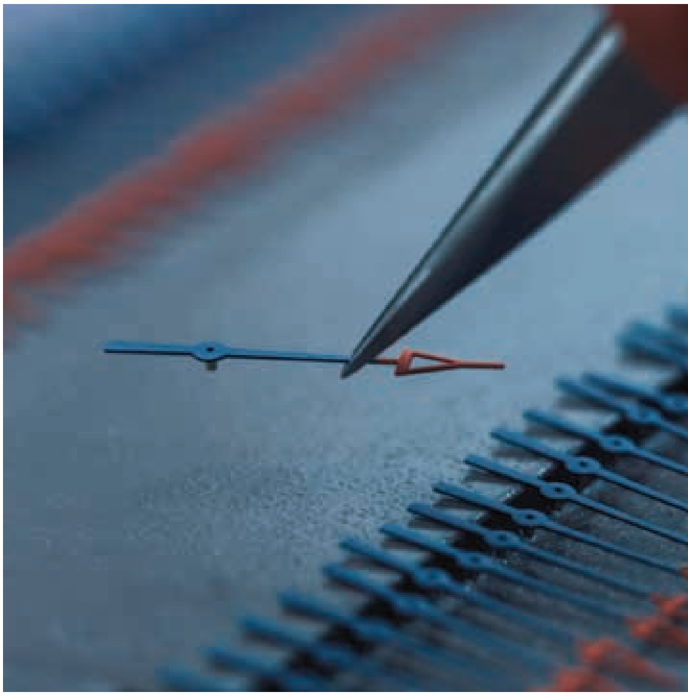
Our wide operational footprint spans various industries such as renewable energy, aerospace, automotive, electrical and electronics, consumer electronics, industrial engineering sectors, alternate energy (EV and Solar) segments. This broad reach allows us to serve the Indian market effectively while maintaining a significant presence in the US and European markets. Our global presence underscores our unwavering commitment to delivering excellence across all regions.





ESTIMA: SWISS-MADE DIALS AND HANDS

ESTIMA was founded in 1924 with the objective of fulfilling the burgeoning requirements of Switzerland's thriving watch industry, particularly in the realm of watch hands. Expanding its operations in 1956, we constructed a new factory in Grenchen, solidifying its position as a dependable and efficient supplier of top-notch stamped hands.



INTEGRATING MANUFACTURING MASTERY FOR CRAFTSMANSHIP

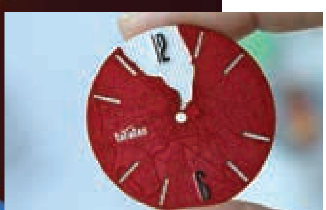
At KDDL, we prioritise excellence in our products and strive to make them stand out in the market. We strongly emphasise on maintaining top-notch manufacturing facilities. We showcase our cutting-edge designs, innovative approach, and deep commitment through our state-of-the-artinfrastructure and advanced technology.

Consistently delivering watch dials and hands of the highest industry standards, we cater to clients worldwide. Furthermore, we have successfully diversified our offerings to provide comprehensive solutions to customers and enhance our market share in the Swiss watch industry.

Business	Locations of Manufacturing Facilities
Watch Hands	Bengaluru (Two Factories)
Watch Dials	Parwanoo and Baddi (HP) and Derabassi (Punjab)(Three Factories)
Precision Engineering	Bengaluru (One Factory)
Ornamental Packaging	Parwanoo (One Factory) + 1 New Factory at Panchkula (Haryana)
Bracelet Division	Bengaluru

STRATEGIC ROADMAP DIVERSIFYING INTO NEW FIELDS/SEGMENTS

At KDDL, we are always looking forward to serving our clients better. Towards this end, we have driven our new capital expansion in the fields of dial factories and steel bracelets to increase our growth.



Dial Factory

- The capacity of our dials factory at Derabassi, Punjab, was extended by 0.5 Million with a particular focus on meeting the demand for exports in the medium- to high-end segment of Swiss watches.

Steel Bracelets

- We established a new plant in Bengaluru, Karnataka, dedicated to manufacturing top-quality steel bracelets for watches.
- The plant will exclusively cater to the mid- and high-end Swiss and European watch markets.
- The expansion project involved a capital expenditure of Rs. 35 Crores and setting up a facility with a capacity to produce 75,000 units per year.
- This is India's first steel bracelet factory designed specifically to serve international Swiss customers.

Packaging Factory at Panchkula

- Capacity of 2 million boxes
- Investment of Rs. 10 Crores

FAVRE LEUBA
1737

Acquisition of Favre-Leuba

- We acquired the iconic Favre-Leuba, the second oldest watch brand in Switzerland.
- The Favre-Leuba brand acquired during the year is planned to be relaunched with revamped collections and to restore its past glorious history.
- Favre-Leuba will focus on the design, development, assembly, and marketing of watches, leveraging manufacturing facilities in both India and Switzerland.
- We are planning a global launch of a new series of watches in August 2024, with the event taking place in Geneva, Switzerland.

CHAIRMAN & MD'S MESSAGE

Ourfinancialperformance for the year has been robust. Our revenue from operations stood at Rs. 1,420 Crores in 2023-24, compared to Rs. 1,139 Crores in 2022-23.

Mr. Yashovardhan Saboo
Chairman & Managing Director

Dear Shareholders,

I am pleased to present to you the annual performance report of KDDL for 2023-24. Despite the numerous challenges and global uncertainties, KDDL has demonstrated resilience and achieved remarkable growth. Our commitment to innovation, quality, and strategic expansion continues to drive our success, and I am optimistic about our future prospects.

Macroeconomic Overview

The global economy has experienced a modest growth rate of 3.2% as reported by the International Monetary Fund (IMF) in 2023-24. This growth has been tempered by geopolitical tensions in Europe and the Middle East, and a slowdown in demand in the US. However, India has distinguished itself amid these challenges with its remarkable economic performance. The country has emerged as a beacon of economic stability and growth. India's economic growth has significantly outpaced that of many advanced economies, demonstrating its resilience and potential. This robust growth trajectory, driven by strong domestic demand, favourable government policies, and a dynamic business environment, positions India as a key player in the global economy.

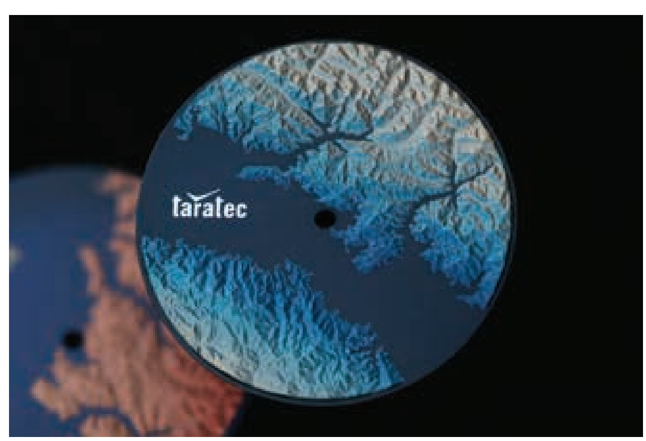
Swiss Watch Market Growth and Emerging Trends

The Swiss watch industry is setting new export records and undergoing a transformative shift, building on its impressive performance in 2022. Watch exports soared to an all-time high of nearly CHF 25 Billion in 2022, and this sturdy growth has continued into 2023.Emerging as a market with incredible potential, India saw a tremendous growth in 2023. Industry experts predict that India will enter the top ten Swiss export markets within a decade, with export sales potentially exceeding CHF 400 Million by 2028.

Sustainability has evolved from a trend to a crucial business imperative in the Swiss watch industry. Brands now emphasise on sustainable practices, use eco-friendly materials, and ensure transparent supply chains to meet the growing demand for environmentally conscious products. This shift is reshaping consumer expectations and setting new industry standards.

India: A Promising Market for Swiss Watches

A Deloitte study identifies India as a key growth market for the Swiss watch industry, driven by shifting consumer behaviour and payment preferences. India's expanding middle-class and affluent consumers are moving towards high-end purchases. This has positioned the country as a future leader in Swiss watch exports, potentially entering the top 10 export markets within a decade.



Financial Performance and Highlights

Our financial performance for the year has been robust. Our revenue from operations stood at Rs. 1,420 Crores in 2023-24, compared to Rs. 1,139 Crores in 2022-23. EBITDA grew by 53% year-on-year (y-o-y) to Rs. 277 Crores, with EBITDA margins at 19.5%. The profit after tax (PAT) for 2023-24 was Rs. 137 Crores, up from Rs. 77 Crores in 2022-23, marking a 79% y-o-y growth. During the year, we declared a final dividend of Rs. 4 per share and an interim dividend of Rs. 53 per share. In 2023-24, KDDL invested almost Rs. 39 Crores in capital expenditure (CAPEX).

Operational Review

CAPEX and New Plant Inauguration

We are pleased to announce the inauguration of our new plant in Bengaluru. It is India's first steel bracelet factory for watches, established to serve the international Swiss market. With an investment of approximately Rs. 35 Crores, this plant has a capacity of 75,000 units per year. The additional revenue from this division will help offset the slowdown in the export market for other watch components.

KDDL's Strategic Positioning

Our focus on innovation, quality, and strategic expansion positions us to meet the growing demand for premium and luxury watches. We are poised for significant growth, leveraging our strong market position and favourable economic environment. Our continuous investment in R&D and new product development ensures that our products meet international standards, catering to a discerning customer base that values precision and craftsmanship.

Our new plant in Bengaluru embodies our forward-thinking approach, strategically designed to serve the mid- and high-end Swiss and European watch markets. The acquisition of the iconic Swiss watch brand Favre-Leuba, coupled with the upcoming global launch of a new watch collection in August 2024, in Geneva, further solidifies our presence in the luxury segment. This acquisition aims to establish us as a prominent manufacturer of Swiss watches. Our focus on high-value, premium-quality customers in both domestic and export markets is likely to become a driving force of our growth and success.

Segment-Wise Performance

Watch Component

Our watch component business of dials, hands, indexes, and bracelets, has shown robust performance. Revenue grew by 10% y-o-y, from Rs. 224 Crores in 2022-23 to Rs. 247 Crores in 2023-24. While we anticipate a short-term slowdown, the long-term outlook remains positive.

Precision Engineering

The precision engineering segment, or Eigen Engineering, delivered outstanding results, with revenue increasing by 25% to Rs. 95 Crores in 2023-24 from Rs. 75 Crores the previous year. This growth was driven by exports, which made up over 64% of total revenue. The order pipeline remains strong with ongoing inquiries and requests for quotes, indicating further expansion opportunities.

Ornamental Packaging

The ornamental packaging segment, primarily serving the domestic market, saw an 18% revenue increase, reaching Rs. 15 Crores in 2023-24, up from Rs. 12.7 Crores in 2022-23. We are establishing a new facility near Chandigarh with a capacity of 1 Million boxes at a cost of Rs. 10 Crores.

Ethos Limited Stake Sale

In a strategic move, KDDL sold a stake in Ethos Limited, yielding approximately Rs. 193 Crores. This includes Rs. 122 Crores from the direct stake sale and Rs. 72 Crores as dividend income from subsidiary Mahen Distribution Limited (realised from the sale of investment in Ethos). This significant financial achievement will support shareholder rewards and company expansion.

Embracing Innovation for Sustainable Growth

At KDDL, innovation is at the core of our strategy for sustained growth and gaining a competitive advantage. We are dedicated to staying ahead by integrating cutting-edge technologies into our operations. This includes introducing lasers and advanced surface treatments to enhance the precision, quality, and efficiency of our manufacturing processes. Our investment in R&D ensures we remain at the forefront of technological innovation in watchmaking and precision components manufacturing. By harnessing emerging technologies, we meet the evolving needs of our customers and drive sustainable growth.

Empowering Communities and Transforming Lives

At KDDL, we believe that success is not solely defined by financial prosperity but also by the positive impact we make on society. Guided by this Ethos, we remain committed to corporate social responsibility (CSR) initiatives to foster sustainable development, uplift communities, and create a lasting legacy of social change.

One of our flagship CSR endeavours is the ambitious initiative to plant and preserve 1 Million trees in regions affected by deforestation. Recognising the critical importance of environmental conservation in combating climate change and preserving biodiversity, we have embarked on a concerted effort to restore and replenish fragile ecosystems.

We are deeply invested in empowering marginalised communities and fostering socioeconomic inclusion. Through targeted interventions aimed at skill development for slum children, we are equipping young minds with the tools and resources they need to break the cycle of poverty and build a brighter future. By providing access

to quality education, vocational training, and mentorship programmes, we are nurturing the talents and aspirations of the next generation. This will further pave the way for sustainable socioeconomic empowerment.

Our commitment to promoting healthcare and well-being further extends to our organ donation initiative. We aim to raise awareness about the importance of organ donation and facilitate life-saving transplants. By collaborating with medical institutions, non-profit organisations, and advocacy groups, we are championing the cause of organ donation and offering hope to individuals in need of critical medical interventions.

Conclusion

I would like to extend my heartfelt gratitude to all our stakeholders for their continued support and trust in KDDL. The performance of the Company has been incredible, and we view this as just the beginning of our journey towards greater value creation and growth. Going forward, our commitment to innovation, quality, and strategic expansion remains firm. We will continue to reach new heights and strive to create lasting value for our stakeholders, thereby making a significant impact in the industry.

Warm regards,

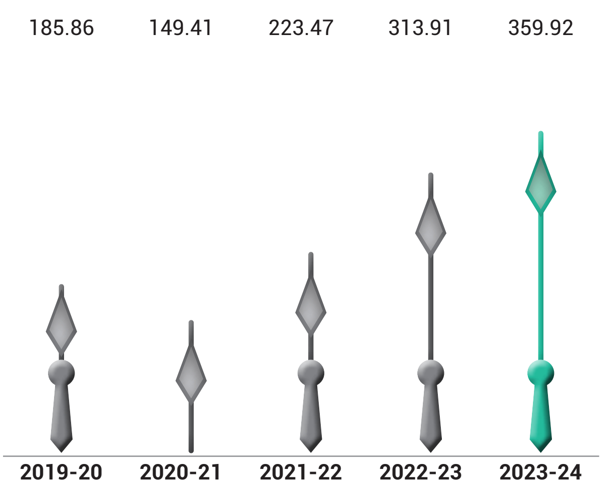
Yashovardhan Saboo,

Chairman & Managing Director

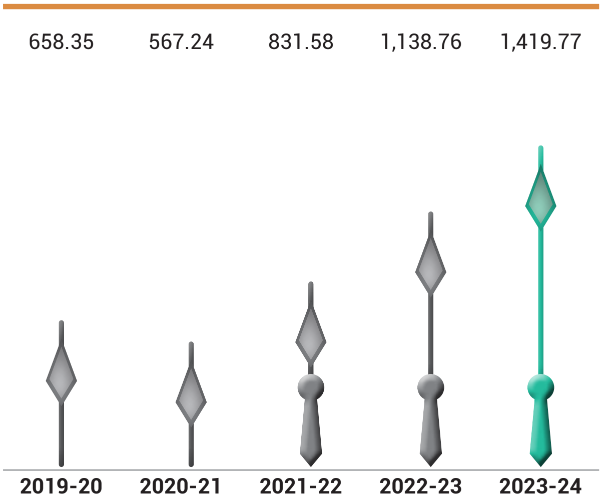
FINANCIAL HIGHLIGHTS

REVENUE

Standalone
(in Rs. Crores)

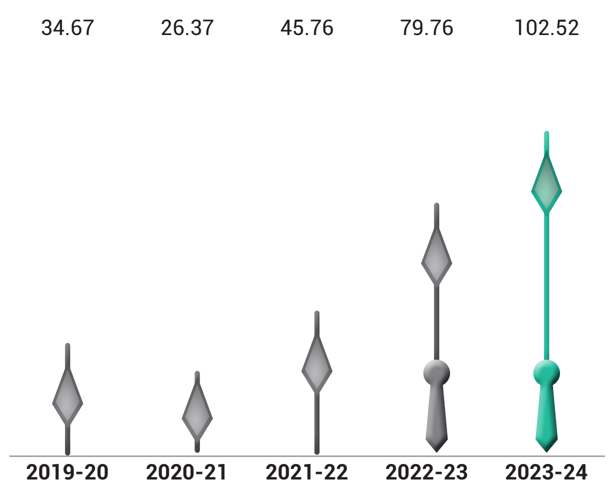


Consolidated
(in Rs. Crores)



EBITDA

Standalone
(in Rs. Crores)



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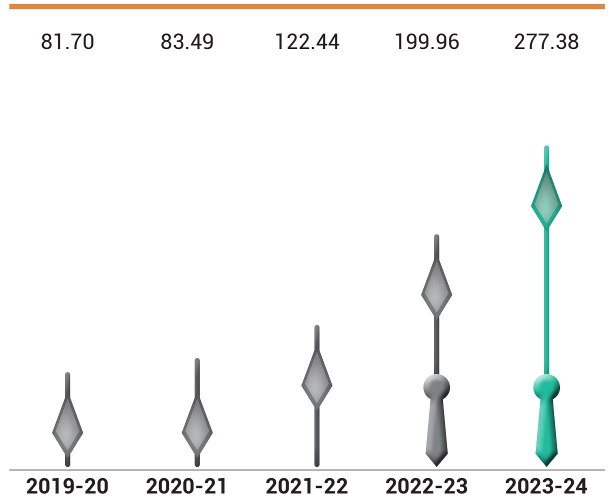
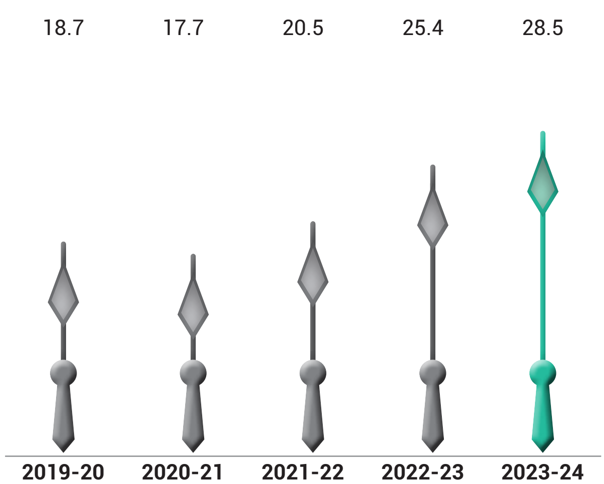
(in Rs. Crores)



EBITDA MARGIN

Standalone
(in %)



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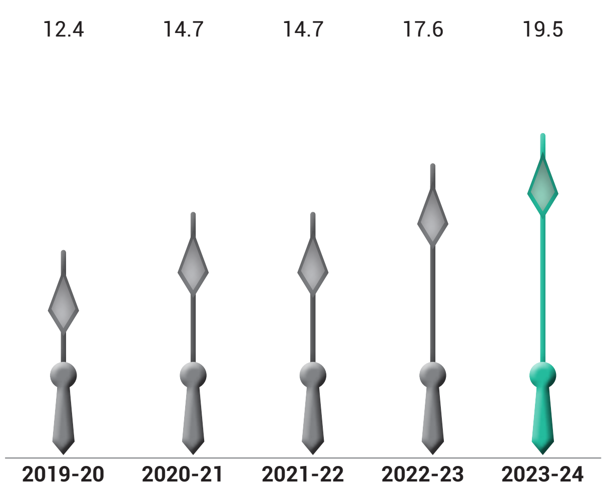
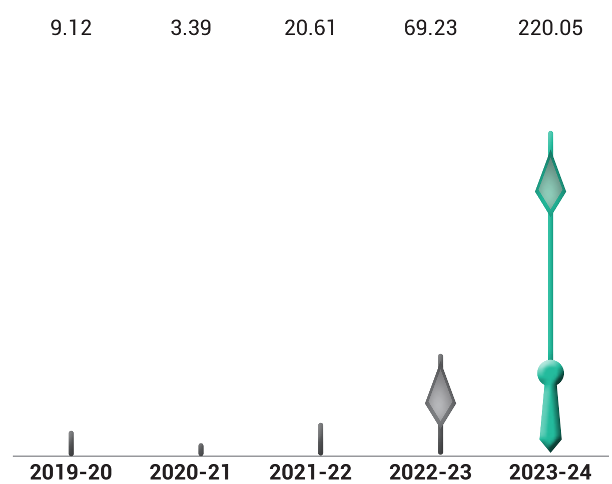
(in %)

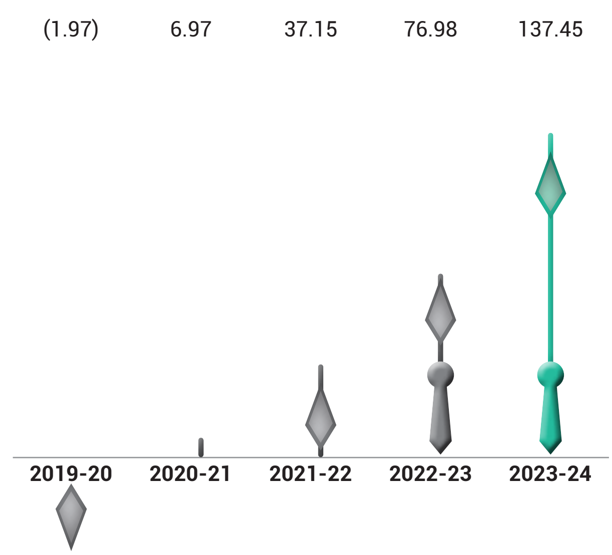


PAT

Standalone
(in Rs. Crores)

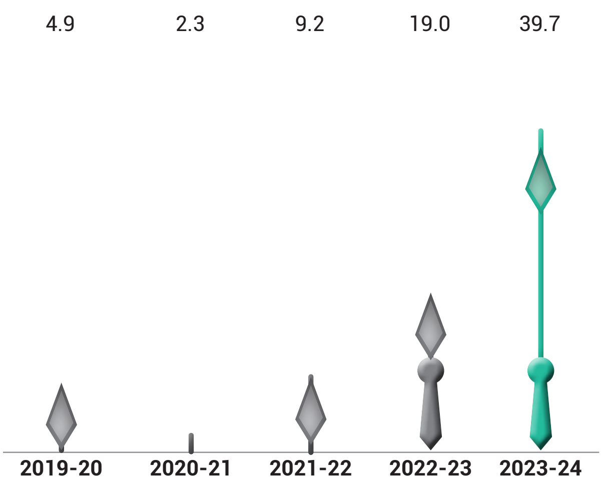


Consolidated
(in Rs. Crores)

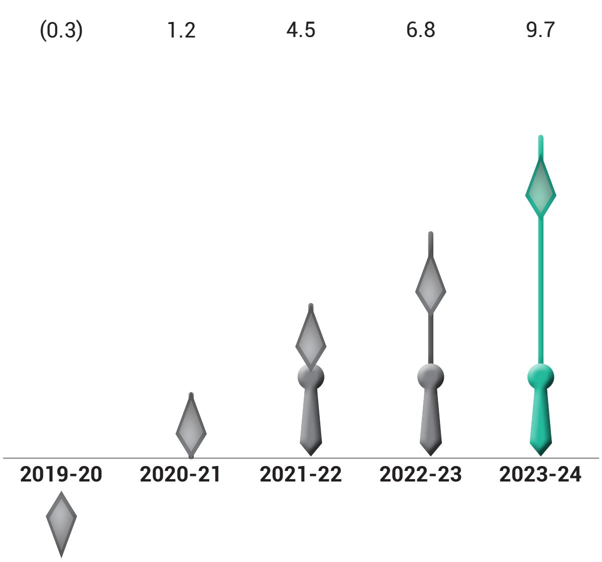


PAT MARGIN

Standalone
(in %)

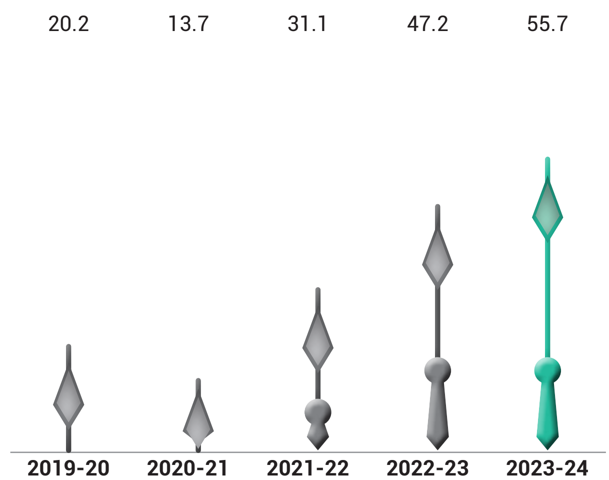


Consolidated
(in %)

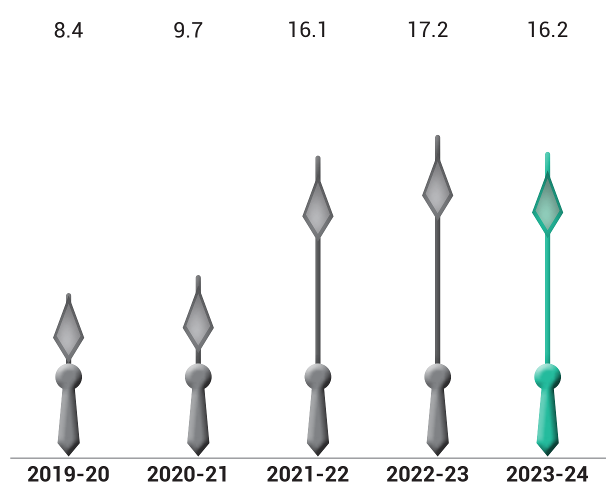


ROCE (Excl.Cash)

Standalone
(in %)



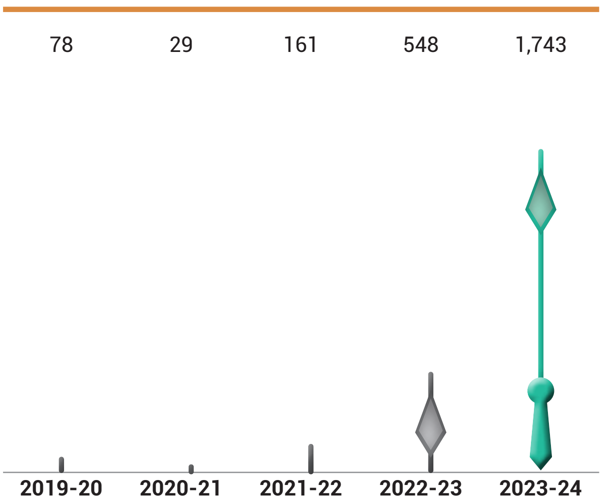
Consolidated
(in %)



ROE

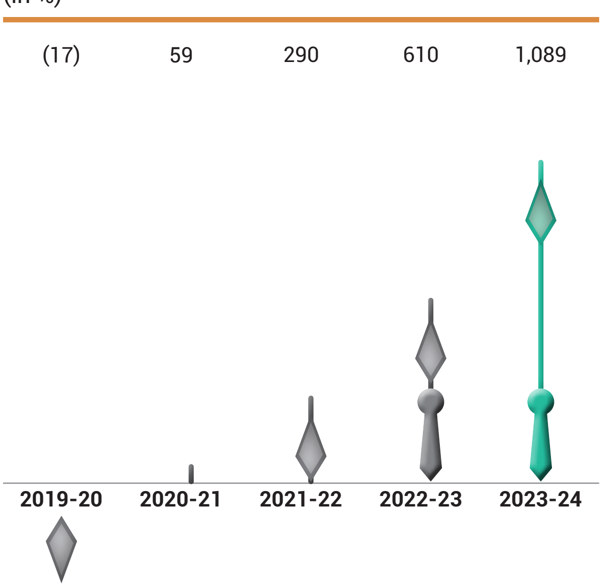
Standalone

(in %)



Consolidated

(in %)



BRINGING PRECISION THROUGH SUSTAINABILITY

At KDDL, we prioritise environmental sustainability and recognise the importance of proactive measures to reduce our environmental impact. Believing that every effort contributes to a healthier planet, we focus on creating products, optimising operations, and fostering a culture rooted in strong sustainability principles. This approach promotes efficiency and responsible resource usage.

At KDDL, we recognise that climate change is one of the most pressing environmental and social issues today. Towards this end, we are dedicated to undertaking innovative manufacturing practices aimed at accelerating the transition to a low-carbon economy.

CREATING VALUE FOR OUR COMMUNITIES

At KDDL, we implement a diverse range of strategies aimed at creating a positive societal impact. Our commitment extends to safeguarding and preserving the environment, empowering individuals through education, and improving access to quality healthcare. Through these initiatives, we aspire to contribute significantly to the holistic development of communities. We are dedicated to driving positive change and fostering a better future for all.

OUR INITIATIVES

The Million-Tree Project

We have undertaken the initiative to plant and preserve 1 Million trees in regions affected or destroyed over the past decade. Since the inception of this initiative, we have successfully planted 77,892 trees. In the initial phase, we partnered with the Isha Foundation and supported their 'Cauvery Calling' project with Rs. 1.30 Lacs during the financial year 2023-24.

Currently, we are extending our efforts by collaborating with SayTrees Environmental Trust and SankalpTaru Foundation. For 2023-24, we have provided grant aid of Rs. 9 Lacs to SayTrees and Rs. 8.25 Lacs to SankalpTaru, reinforcing our commitment to environmental sustainability.

Skill Development for Slum Children

At KDDL, we are committed to providing skill development opportunities for slum children.

In alignment with this commitment, we have formed a meaningful partnership with an NGO called 'YTTS.' Through this collaboration, we focus on educational and skill development initiatives for underprivileged children residing in slums. Our joint efforts extend beyond regular school hours, offering these children access to computer training and stitching programmes. Additionally, we strive to promote women's empowerment through these initiatives, fostering a more inclusive and empowered community.

Gift of Life through Organ Donation

Providing someone with a second chance at life is a meaningful contribution to society. At KDDL, we recognise the significance of this altruistic act. We actively support organ donation through our partnership with the MOHAN Foundation.

Our primary aim is to raise awareness about the critical importance of organ donation. We remain steadfast in our commitment to this noble cause, understanding the profound impact it can have on individuals and society as a whole. Looking ahead, the Company is committed to continue supporting such initiatives, ensuring that the spirit of generosity and life-saving contributions continues to flourish.

Spreading Knowledge for a Better Future

The phrase 'Knowledge is useless until used in the right direction' truly encapsulates KDDL's philosophy. Embracing this belief, we have joined forces with 'Catalysts for Social Action' (CSA). It is an organisation dedicated to transforming lives through career awareness, counselling, job-oriented skill training, higher education opportunities, computer literacy, and placement prospects.

KDDL is committed to channelling knowledge and skills effectively to pave the way for brighter futures. By equipping individuals with the right tools and guidance, we aim to foster happy, healthy, and independent lives for every child, and enabling them to realise their full potential.

BOARD OF DIRECTORS

Mr. Yashovardhan Saboo
Chairman & Managing Director

Mr. Yashovardhan Saboo is B.A. (Hons.) and an MBA from IIM, Ahmedabad. He started his career in 1980 as Director of Groz-Beckert Saboo Limited, Chandigarh and was the Managing Director of the Company from 1991 to 1993. In 1983, he set up Kamla Dials and Devices Limited (now KDDL Limited) as Managing Director of the Company. In 2003, he set up Ethos. In 2006, he set up the precision stamping division, EIGEN Engineering in Bengaluru. He has been conferred with 'UdyogRatna' Award by PHDCCI in 2005 for his valuable contribution to the economic development of Himachal Pradesh.

Mr. Sanjeev Kumar Masown
Whole-Time Director & Chief Financial Officer

Mr. Sanjeev Kumar Masown is an Executive Director of the Company since 2016, in addition to his role as Chief Financial Officer (CFO) since 2011. He is a qualified CMA and Fellow Member of the Institute of Cost Accountants of India and a commerce postgraduate. He is a certified Six Sigma Green Belt holder. He has more than 30 years of experience in handling various leadership roles in different manufacturing companies (both listed and unlisted). He is directly leading our strategic and fast-growing precision engineering business segment 'Eigen Engineering'. His leadership qualities, business acumen, strong commercial background, relationship management, out-of-the-box thinking, people-centric approach and strategic initiatives are acting as catalysts in the growth and development of the Company and enhancing value for the shareholders.

Mr. Anil Khanna
Independent Director

Mr. Anil Khanna is a Director of the Company since 2004. He is a holds a B.A. degree (Economics, Mathematics), Chartered Accountant and FCA DISA. He is in practice and has over 38 years of post-qualification experience. He is a Certified Arbitrator by the Institute of Chartered Accountants of India and is also a certified Business Counsellor by the Entrepreneur Development Institute (EDI), Ahmedabad. He has successfully completed the certificate course on Forensic Accounting and Fraud Detection conducted by the Digital Accounting and Assurance Board (DAAB) of the Institute of Chartered Accountants of India.

Mrs. Ranjana Agarwal
Independent Director

Mrs. Ranjana Agarwal is a Director of the Company since 2013. She has a bachelor's degree in economics (Hons.) and a Fellow Member of the Institute of Chartered Accountants of India. She is also on the Boards of many reputed listed companies and chairs several key committees. She founded Vaish & Associates, Chartered Accountants in 1985 and has more than 35 years of experience in audit, tax, succession planning, business and valuations, among others, and recently ESG consulting. She was also a partner in Deloitte Haskins & Sells until 2000. She is the recipient of the Indira Gandhi Priyadarshini Award for professional excellence and entrepreneurship and was National President of FICCI FLO. She is also involved with many NGOs working in the fields of education and health.

Mr. Sanjiv Sachar
Independent Director

Mr. Sanjiv Sachar retired on 31st October 2016 as the Senior Partner of Egon Zehnder, the world's largest privately held executive search firm. He set up the Egon Zehnder practice in India in 1995 and has played a key role in establishing the firm as a market leader in the executive search space across various industry segments. For five years, Mr. Sachar was the India Country Head. In addition, he was a core member of the Firm's Global Financial Services and Industrial Practice and led the CFO practice in India. In 1985, he co-founded a chartered accountancy and management consulting firm, Sachar Vasudeva & Associates. He also co-founded an executive search firm, Direct Impact. Mr. Sachar started his corporate career in the finance function with SRF Nippondenso (now known as Denso), one of the world's largest manufacturers of starter motors. Post qualifying as a Chartered Accountant in 1982, he started his career with the management consulting division of A. F. Ferguson (now part of Deloitte).

Mr. Sachar was Government of India's nominee for five years on the first Board of the Indian Institute of Management, Rohtak. In addition, he was a member of the Strategic Advisory Committee of the Board on HR for Bank of Baroda. He was an Independent Director on the Board of HDFC Bank for five years (2018-23). He is currently an Independent Director on the Board of Info Edge (India) Limited and KDDL Chandigarh (holding company of Ethos Watches). In addition, he is a partner in the Delhi Chapter of Social Venture Partners, a global philanthropic network. Mr. Sachar is a bachelor's in economics (Hons.) from Hindu College, Delhi University (1978) and a Fellow Member of the Institute of Chartered Accountants of India (1982).

Mr. Praveen Gupta
Independent Director

Mr. Praveen Gupta is a Director of the Company since 2014. He is a B. Tech (Electrical Engineering) from IIT, Kanpur and an MBA from IIM, Ahmedabad. He has 42 years of experience at senior levels in global and large Indian auto component and industrial products companies. In these leadership roles, he has successfully managed rapid growth and industrial turnarounds. He currently advises and supports organizations in improving their business performance and ESG initiatives, and also supports incubation and entrepreneurial activities for start-ups.

Mr. Nagarajan Subramanian
Independent Director

Mr. Nagarajan Subramanian graduated in mechanical engineering (Madras University, 1978) and did a postgraduate diploma in management from IIM, Ahmedabad (1980). He has worked in various positions in sales and marketing, business development, and strategic planning with three bluechip companies (Voltas Limited, Titan Industries Limited, and Walt Disney India Private Limited). He set up the highly successful retail chain 'World of Titan' and made it an Indian benchmark for successful franchising of a retail concept.

He left Walt Disney India Private Limited as the Country Director for Disney Consumer Products in 1995 and set up En Theos Consulting to advise lifestyle retail businesses in scaling up profitably. He also represented Warner Bros Consumer Products as their India representative for over 10 years, leveraging the skillsets in retailing, franchising, and licensing. Some of the marquee clients include Mattel Toys Limited, Ethos Limited, Fossil India Private Limited, Triumph International, Warner Bros. Consumer Products, and Baggit India Private Limited. He is a life-time member of the Centre for Independent Directors (IICA).

Mrs. Neelima Tripathi
Independent Director

Mrs. Neelima Tripathi holds a bachelor's degree in economics (Hons.) from Shri Ram College of Commerce, a qualified chartered accountant and law graduate. She is registered with the Bar Council of Delhi and is a practising senior advocate. Ms. Tripathi has over 30 years of experience in handling civil suits, commercial courts matter, arbitration, writ petitions, corporate transactions, real estate advisory, criminal matters, constitutional issues, appearances at tribunal and courts. She has also taught as Adjunct Professor at Jindal Global Law University, has written several articles, and is also engaged with two NGOs working towards women's empowerment.

Mrs. Anuradha Saboo
Non-Executive Director

Mrs. Anuradha Saboo is a graduate with a bachelor's degree in science from Bombay University. For several years, she headed the packaging division of KDDL Limited; during this tenure, she enrolled several export customers. Thereafter, when the Ethos retail chain was established under KDDL, her responsibilities changed to take charge of the functions of marketing, training, and customer experience at Ethos, which she managed for several years. She has excellent insight into the world of luxury and Swiss watches. She has working knowledge of both French and German languages, which has been very useful in the Company's business. She has continued to assist the Chairman & Managing Director, Mr. Yashovardhan Saboo, during his international visits and events for international partners in Europe and India.

Mr. Jai Vardhan Saboo
Non-Executive Director

Mr. Jai Vardhan Saboo is a Promoter Director of the Company since 2017. He serves as the Chief Executive Officer of Harmonia Holdings Group LLC, a leading systems integrator and information technology services company in the US. Mr. Saboo also has various other business interests in the US and is an active angel investor in start-ups around the world. He is an active philanthropist and serves on the national Board for Pratham, US. He has over 30 years of international business experience in multiple industries and is an alumnus of the Kellogg School of Management at Northwestern University and the Wharton School at the University of Pennsylvania.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Yashovardhan Saboo
Chairman & Managing Director

Mr. Sanjeev Kumar Masown
Whole-Time Director & and Chief Financial Officer

Mr. Anil Khanna*
Independent Director

Mrs. Ranjana Agarwal*
Independent Director

Mr. Sanjiv Sachar
Independent Director

Mr. Praveen Gupta
Independent Director

Mr. Nagarajan Subramanian
Independent Director

Mrs. Neelma Tripathi
Independent Director

Mr. Jai Vardhan Saboo
Non-Executive Director

Mrs. Anuradha Saboo
Non-Executive Director

* *Ceased to be Director w.e.f. 06th August, 2024*

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Brahm Prakash Kumar

BANKERS

IDBI Bank Limited
Yes Bank
State Bank of India
HSBC Limited

AUDITORS

M/s. S.R. Batliboi & Co. LLP
Chartered Accountants

CORPORATE OFFICE

Kamla Centre, S.C.O. 88-89, Sector 8-C,
Madhya Marg,
Chandigarh - 160 009

REGISTERED OFFICE

Plot No. 3, Sector III,
Parwanoo - 173 220, Himachal Pradesh

Dials Units

UNIT – I

Plot No. 3, Sector III,
Parwanoo - 173 220, Himachal Pradesh

UNIT – II

Haibatpur Road, Saddomajra,
Near Gulmohar City,
Derabassi - 140 507, Punjab

UNIT – III

Village Dhana, Bagbania, PO
Manpura, Tehsil Baddi,
Dis. Solan - 173 205, Himachal Pradesh

Hands Units

UNIT – I

Plot No. 296-297,5th Main,
4th Phase, Peenya Industrial Area,
Bengaluru - 560 058 Karnataka

UNIT – II

408, 1st & 2nd Floor, 11th Cross, 4th Main
4th Phase, Peenya Industrial Area,
Bengaluru - 560 058 Karnataka

Packaging Units

UNIT – I

Plot No. 9, Sector V,
Parwanoo - 173 220, Himachal Pradesh

UNIT – II

Plot No: 219,
Industrial Area - 1st Phase
Panchkula - 134 113 Haryana

EIGEN UNIT

Unit No. 55-A, Hunachur Village,
Jala Hobli, Yelahanka Taluk,
Bangalore North,
Near Kiadb Aerospace Park,
Bengaluru - 562 149, Karnataka

BRACELET DIVISION

Plot No. 29-A7, Dobaspet Industrial Area,
Phase-4, Honnenahalli Village, Sompura Hobli,
Nelamangala Taluk,
Bengaluru - 562 111, Karnataka

CIN

L33302HP1981PLC008123

CONTACT DETAILS

Telephone: +91 172 2548223/24
Fax No.: +91 172 2548302
Mail: investor.complaints@kddl.com
Website: www.kddl.com

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY

The global economy is currently navigating a landscape marked by significant challenges and transformative shifts. Despite shocks from the geopolitical tensions, and financial market disruptions, there is a growing sense of cautious optimism. According to the latest International Monetary Fund (IMF) World Economic Outlook (WEO), global growth is projected to slow to below 3%, significantly under the historical average of 3.8% from 2000 to 2019.

However, economic activity has been surprisingly resilient through the global disinflation of 2022-23, with steady growth in employment and incomes reflecting supportive demand developments and a supply-side expansion. The IMF projects global growth at 3.2% in 2023, continuing at the same pace in 2024 and 2025. Inflation is expected to fall from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging markets. The IMF underscores the need for comprehensive structural reforms, including enhancing market competition, increasing labour force participation, and leveraging emerging technologies, to foster sustainable growth.

Outlook

Risks to the global outlook are balanced, with potential downsides from geopolitical tensions and high interest rates, but upsides from faster-than-expected disinflation and technological advancements. The near-term priority for central banks is to ensure a smooth transition to stable inflation while maintaining medium-term fiscal consolidation. Cross-country tailored policy responses and multilateral cooperation are crucial to limit the risks of geoeconomic fragmentation and climate change, and to facilitate debt restructuring and the transition to green energy.

(Source: https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024)

INDIAN ECONOMY

The Indian economy has displayed remarkable resilience and robust growth, defied global headwinds, and emerged as a bright spot on the international economic landscape. The latest data from the year ended March 2024 paints an optimistic picture, with the economy registering a remarkable 8.2% real growth, eclipsing all expectations. Driving this stellar performance is the strong momentum witnessed across critical sectors such as manufacturing, construction, and government capital expenditure. Once a laggard, the manufacturing sector has turned a corner, growing at an impressive 9.9%, bolstered by a favourable base effect.

Gross fixed capital formation, a key indicator of investment activity, surged by 9%, reflecting the robust growth of 9.9% in the construction sector, building upon the solid foundation laid in the previous fiscal year. This upsurge in capital expenditure bodes well for future productivity gains and sustained economic growth.

Notably, the central government has demonstrated fiscal prudence, reducing the deficit to 5.6% from the projected 5.8% in the revised budget and 5.9% in the budget estimates for 2023-24. This remarkable 80 basis point reduction in the fiscal deficit, coupled with a trillion-rupee decrease in fiscal stimulus, underscores the economy's improving health and ability to thrive with reduced reliance on government support. Furthermore, the government's commitment to infrastructure development is evident in its achievement of meeting the ambitious capex target of Rs. 10 Lac Crores, or 3.3% of GDP. This strategic investment is poised to catalyse productivity gains in the years to come.

While the overall economic landscape is encouraging, some areas of concern persist. Private consumption growth has lagged at 4%, reflecting the slower growth in employment-heavy sectors such as agriculture, livestock, forestry, fishing, and trade, hotels, and transportation. This trend highlights the need for inclusive growth and measures to stimulate employment opportunities in these vital sectors.

Outlook

Looking ahead, most economists maintain a cautious optimism for 2024-25, with growth estimates ranging between 6.5% and 6.8%. This tempered outlook reflects the potential disappearance of the subsidies-distortion effect, declining fiscal stimulus, and concerns over a slower global economic environment. Nonetheless, the Indian economy's remarkable performance in the face of adversity is a testament to its resilience and the efficacy of the government's policies. With sustained efforts towards inclusive growth, strategic investments, and prudent fiscal management, India is well-positioned to solidify its position as an economic powerhouse on the global stage.

(Source: https://www.cnbctv18.com/economy/india-gdp-grows-at-an-eye-popping-8-2-percent-but-the-economy-below-its-trend-growth-pace-19422190.html)

SWISS WATCH INDUSTRY

The Swiss watch industry is setting new export records and undergoing a transformative shift, building on its impressive performance in 2022. Watch exports soared to an all-time high of nearly CHF 25 Billion in 2022, and this sturdy growth has continued into 2023. The United States remains the top market for Swiss watches, with exports approaching CHF 2.7 Billion, marking an almost 10% increase from 2022. Similarly, China showed robust growth with a 9.3% increase during the same period, although exports remain 7.5% below 2021 levels. Japan and Singapore also posted significant gains, with increases of 13.6% and 12.5%, respectively. Emerging as a market with incredible potential, India saw a tremendous growth in 2023. Industry experts predict that India will enter the top ten Swiss export markets within a decade, with export sales potentially exceeding CHF 400 Million by 2028.

The Deloitte Study revealed that 62% of luxury watch brands anticipate in-store sales to dominate over the next five years, highlighting a strategic shift towards enhancing their retail experiences. This trend resonates with the essence of luxury watchmaking, where the artistry and craftsmanship are best appreciated in person. For 52% of consumers, the allure of touching, assessing, and trying on a watch before purchase is irresistible, as it allows them to connect with the intricate details and exquisite materials firsthand. Furthermore, the human element remains pivotal, with 43% of consumers valuing direct, face-to-face interactions with knowledgeable sales personnel who can share the rich stories and heritage behind each timepiece. The study also underscores the enduring importance of watch fairs, with nine out of ten executives viewing them as vital for fostering personal connections with potential customers and showcasing the unique narratives and craftsmanship that define their collections.

Sustainability has become a strategic priority for the Swiss watch industry, shifting from a consumer-driven demand to an industry-led mission. Over two-thirds of respondents indicated that sustainability is part of their corporate strategy, with investments in circularity and governance structures. Certified ethical gold, recycled materials, and leather alternatives are expected to play important roles in the next five years. New sustainability reporting regulations promote transparency and accountability, with 34% of consumers preferring brands focussed on sustainability over those prioritising image.

The Swiss watch industry is thriving, balancing tradition with innovation. From the rise of India as a key market to the industry's internal shift towards sustainability, the sector is poised for a future that honours its heritage while embracing progress. As the industry continues to evolve, the next chapter in Swiss watchmaking promises to be as intricate and fascinating as the timepieces it produces.

(Source: https://www2.deloitte.com/ch/en/pages/press-releases/articles/swiss-watch-industry-2023.html)

Products

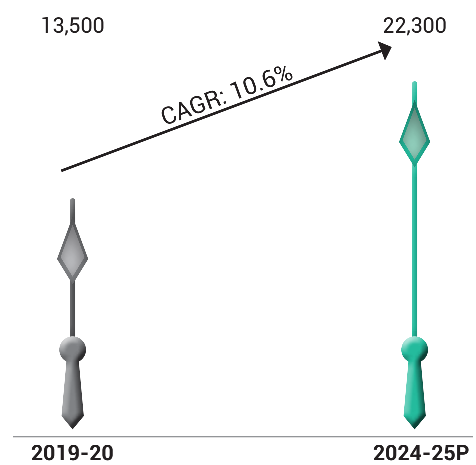
The Swiss watch industry is a global powerhouse, exporting 95% of its production to all five continents. Asia stands out as the largest market, absorbing 53% of exports by value, with Europe following at 31% and America at 14%. Dominating the top three key markets are Hong Kong, USA, and China. Leading the industry are prestigious brands such as Rolex, Audemars Piguet, Patek Philippe, and Richard Mille, all of which have demonstrated robust growth over the years. Close behind are renowned names like Cartier, Omega, Longines, and IWC. Collectively, the five most significant brands command a 53% market share, while thirteen brands account for 75%, and 25 brands cover an impressive 90% of the market. These figures are remarkable, especially considering the industry comprises about 350 brands in total.

INDIAN WATCH INDUSTRY

Over the past decade, the Indian watch industry has undergone a remarkable transformation, evolving from a maker of simple timepieces to a creator of stylish fashion accessories. The rising brand consciousness among millennials, high-profile celebrity endorsements, and vigorous marketing efforts by watch manufacturers has fuelled this shift. The industry has broadened its appeal, moving beyond its traditional male customer base to target a wider audience, including women and the unisex market. The increased participation of women in the workforce has also driven a significant rise in demand for women's watches. Recognising this growth potential, major brands have expanded their product lines to strengthen their market position.

The Indian watch market is on an impressive growth trajectory, with a projected compound annual growth rate (CAGR) of 10.6%. By 2024-25, the market is expected to reach around Rs. 22,300 Crores. This expansion is driven by several factors, including increased discretionary spending on watches, the rise of organised retail channels such as multi-brand outlets (MBOs) and online marketplaces, as well as specialised retailers. Furthermore, the growing popularity of smartwatches in the mid-to-premium category and the adoption of omnichannel strategies are contributing to the market's growth.

Indian Watch Market (Rs. in Crores)



P - Projected

The Indian watch market is segmented by product type and price. Product-wise, watches are divided into 'traditional watches,' which include both analogue and digital models, and 'smartwatches.' Traditional watches have been the mainstay for consumers across various price points, genders, and age groups, especially in the premium and luxury segments where they are prized for their quality, heritage, and brand prestige. Traditional watches hold a substantial market share of about 76%, while smartwatches account for 24% and are expected to grow at a faster pace. This rapid growth is driven by increasing consumer interest, heightened awareness of fitness and health benefits, technological advancements that facilitate smartwatch integration with other devices, and the entry of numerous brands into the mass to mid-range smartwatch segment. This diversification allows consumers to explore smartwatches without entering the premium market.

(Source: Technopak Research & Analysis)

Outlook

The Indian watch market is poised for substantial growth during the forecast period of 2023-27, driven by several key factors. Various watch brands' widespread availability and affordability have solidified their status as popular fashion statements among consumers. This has particularly boosted demand for watches in the lower and mid-price ranges, where consumers are seeking a balance of value and quality. Notably, the number of women buyers is increasing globally and in India, contributing to the market's expansion.

In the premium and luxury watch segments, market dynamics differ significantly. Organised players dominate these sectors, while the unorganised market is made up of standalone entities. Most premium and bridge-to-luxury watches are sold through organised channels, with luxury watches exclusively available through these same channels. As a result, organised players hold a commanding 92% share of the premium and luxury watch market. The rise of organised players in the luxury watch business has brought multiple benefits, including increased customer trust and improved availability and acceptance of luxury watches in India. These players are known for providing superior after-sales services, such as repairs and refurbishments, often coupled with extended warranties and guarantees. These enhanced services positively impact customers' purchasing decisions, further fuelling the market's growth and development.

Additionally, the younger generation's growing interest in watches is shaping the market. Younger consumers are drawn to the blend of tradition and innovation that many watch brands offer, making watches a significant accessory and status symbol.

Overall, the Indian watch market exhibits a promising outlook, with its blend of affordability, quality, and superior customer service driving its expansion across all segments. The increasing participation of women buyers and the enthusiasm of the young generation further underscore the vibrant and evolving nature of the market.

BUSINESS OVERVIEW

KDDL Limited (formerly known as 'Kamla Dials and Devices Limited') is a distinguished entity operating in India and Switzerland. Founded in 1981 and headquartered in Chandigarh, KDDL Limited (referred to as 'KDDL' or 'The Company') has established itself as a leading manufacturer and trader of watches and their components. The Company specialises in crafting intricate watch hands, dials, and other essential components, renowned for their precision and quality. Beyond the horology industry, KDDL also excels in producing high-precision stamped components and progressive tools, catering to electrical, electronics, and automotive sectors.

Through its subsidiary, Ethos Limited, KDDL operates India's largest organised retail chain for luxury Swiss watches. The Company's diverse revenue streams stem from the manufacturing of watch components, progressive tools, precision engineering components, and sub-assemblies, underscoring its versatile expertise and market presence.

KDDL's financial performance across its various business segments reflects its robust operational capabilities and strategic vision.

OPERATIONAL OVERVIEW

In Bengaluru, Karnataka, we have established a new plant dedicated to manufacturing top-quality steel bracelets for watches. This facility will exclusively serve the mid- and high-end Swiss and European watch markets. The project involved a capital expenditure of Rs. 35 Crores and resulted in a facility capable of producing 75,000 units per year. Notably, this is India's first steel bracelet factory specifically designed to cater to international Swiss customers, marking a significant milestone in our expansion efforts.

Silvercity Brands AG, subsidiary of the Company, has acquired 'Favre-Leuba' Trademark to focus on the design, development, assembly, and marketing of watches, leveraging manufacturing facilities in both India and Switzerland. We are planning a global launch of a new series of watches in August 2024, with the event set to take place in Geneva, Switzerland. This strategic acquisition of Trademark and upcoming launch underscore our commitment to innovation and excellence in the watch industry.

Revenue & Profitability (Standalone)

KDDL set new benchmarks in revenue and profitability, exceeding its record performance from the previous year. The Company reported an operational net revenue of Rs. 330 Crores, a significant increase from the Rs. 288 Crores achieved in the prior year, reflecting a robust growth rate of 14.8%. All business segments experienced a strong growth trajectory. Favourable market conditions in international markets enabled KDDL to strengthen its market position, expand its reach, and increase its market share. This success was driven by the Company's continuous alignment with customer demands and its commitment to delivering high-quality service.

The segment-wise net sales revenue during the last two years 2022-23 and 2023-24 is as follows:

Rs. in Crores	2022-23			2023-24		
Business	Domestic	Export	Total	Domestic	Export	Total
Watch Component	54.9	152.8	207.7	50.9	179.3	230.2
Precision Engineering	24.6	42.6	67.2	26.7	58.3	85.0
Ornamental Packaging	12.7	–	12.7	15.0	–	15.0
Total	92.2	195.4	287.6	92.5	237.7	330.2

KDDL's overall turnover in the domestic market remained steady compared to the previous year, which had seen a growth of 15.5%. The Company's export turnover exhibited robust growth, improving by 21.6%, although this was slightly lower than the impressive 56.8% growth recorded the prior year. These growth percentages were achieved on an already high base, highlighting the effectiveness of KDDL's initiatives in operational excellence, market positioning and expansion, product offerings, and alignment with customer needs and market realities.

All business segments of KDDL continued to experience strong growth, consistent with the previous year's trend. The turnover of the Company's primary revenue driver, the watch component segment, increased by 10.8% over the financial year 2022-23. However, the watch component business's share in KDDL's overall revenue slightly declined from 72.2% in 2022-23 to 69.7% in 2023-24, continuing a trend observed over the past few years. While export revenue grew by 17.3%, domestic revenue saw a decline of 7.3%. In the last two years, domestic revenue had grown significantly, with increases of 79.1% in 2021-22 and 15.3% in 2022-23, although overall market conditions during the year remained subdued due to higher inventory levels among domestic customers.

Despite recording solid growth in previous years (48.6% in 2022-23 and 42.0% in 2021-22), the exports revenue continued to rise. Favourable currency conversion rates and an increase in market share with customers drove this growth. This performance underscores KDDL's strong presence and relationships with key Swiss customers, reflecting their confidence in the Company's enhanced capabilities and its position as a reliable supplier of quality products in a competitive and demanding market environment.

EIGEN, KDDL's precision engineering business and second-highest revenue generator, experienced a revenue increase of 26.4%, following a 51.9% growth in the previous year. Export revenue grew by 37.0%, while domestic revenue saw an 8.3% rise. Market sentiments were positive, with manufacturing activity improving across almost all major revenue segments.

Revenue and order inflows were particularly strong from the export market. In 2023-24, export revenue increased by 37%, compared to a 95% growth in the previous year. The exports and domestic revenue mix ratio improved significantly to 69:31 from 49:51 in 2021-22. This boost in export revenue is largely due to KDDL's strategic focus on entering new segments and acquiring customers in emerging markets such as electric vehicles, solar energy, aerospace, automotive, and electrical sectors.

KDDL's order book remains healthy, with prospects of maintaining this strength thanks to improving economic conditions and rising consumption. Collaborations with major industrial players on emerging technologies and projects across various market segments are expected to drive consistent growth in revenue and profitability.

KDDL's ornamental packaging manufacturing business, primarily serving the domestic market, experienced a strong demand surge, with revenue increasing by 18.1%, following a 29.3% growth in the previous year. However, there were no orders from the export market. The Company remains committed to targeting high-value, premium-quality customers in both domestic and international markets.

KDDL's overarching strategy focusses on boosting exports of watch components and accelerating the growth of its precision engineering business. The Company aims to secure additional business from existing and new customers, particularly in targeted market segments, through enhanced marketing efforts, both digital and physical. Key priorities for KDDL include continuous improvement of internal efficiencies, reducing turnaround time, and adding new capabilities to optimise operations. The Company also plans to expand its product range to include steel bracelets for watch components, increase market share in various precision engineering segments, and enter the export market for ornamental packaging.

2023-24	Qtr-1	Qtr-2	Qtr-3	Qtr-4	Total (Rs. Crores)
Revenue	88.78	92.74	81.10	88.01	350.63
Other Income	2.41	1.59	4.25	1.05	9.06
EBIDTA	24.99	27.18	23.27	27.08	102.52
EBIDTA (%)	27.4	28.8	27.3	30.4	28.5
Cash Profit	22.54	24.99	21.12	25.02	93.67
Exceptional Income/ (Expense)	-	-	-	174.20	174.20
Profit before Tax	19.10	21.50	17.63	195.79	254.01

2022-23	Qtr-1	Qtr-2	Qtr-3	Qtr-4	Total (Rs. Crores)
Revenue	69.04	74.90	76.13	84.73	304.81
Other Income	1.59	1.46	3.16	2.85	9.06
EBIDTA	16.77	19.07	21.00	22.88	79.72
EBIDTA (%)	23.7	25.0	26.5	26.1	25.4
Cash Profit	14.97	17.18	18.77	20.28	71.20
Exceptional Income/ (Expense)	10.65	20.10	-	-	30.75
Profit before Tax	22.54	34.14	15.59	16.96	89.24

Prospectus

During the year, the domestic watch market was robust in the first half, but the second half saw stagnation and sluggish order positions. This trend indicates a reversal of the previous shift where domestic players preferred local sourcing over imports from China. Currently, domestic companies are focussing more on expanding their market presence and reach rather than developing domestic suppliers. Additionally, these players have accumulated significant inventories, with a market correction anticipated in the first half of 2024-25.

KDDL remains actively engaged with all major domestic market players, aligning its capacity and capabilities to meet market demands. The Company's primary focus is on enhancing productivity and ensuring the prompt delivery of premium watch components. KDDL is confident in its ability to increase market share in the domestic market by leveraging its internal capabilities, strong customer relationships, and speed-to-market initiatives.

The Swiss watch market experienced significant growth in 2023, achieving record values in both value and volume terms, with exports reaching CHF 26.7 Billion, marking a 7.6% increase. Growth in the first half of the year was robust at 11.8%, before slowing to 3.6% in the latter half. The number of Swiss wristwatches exported in 2023 grew by 7.2% compared to 2022, totalling 16.9 Million units, with increases observed across nearly all price segments. The largest volume increase, 11.2%, was seen in watches with export prices below CHF 200, accounting for 83% of the volume growth. Meanwhile, watches priced above CHF 3,000 grew by 9.4% in value, generating 92% of the overall value growth. Watches in the CHF 200-500 and CHF 500-3,000 price ranges saw modest volume growth of 0.3% and 3.0%, respectively, but experienced value declines of 2.3% and 1.3%.

However, the market began to witness a slowdown and decline in the second half of 2023, a trend that persisted into the first quarter of 2024. Swiss watch exports declined from CHF 6,171.4 Million in January to March 2023 to CHF 5,881.3 Million in the same period in 2024, recording a 4.7% decline. This decline in exports and production reflects the depressed market conditions influenced by geopolitical factors and inventory corrections by major brands. We expect this trend to continue for a few more quarters before a recovery and improvement in demand can be anticipated.

KDDL remains confident with a cautiously optimistic outlook for the future, anticipating that the market will rebound and sustain growth over the long term. The Company's product portfolio is well-aligned with market trends, and it is strategically moving up the value chain by enhancing design capabilities, reducing response times, and maintaining superior quality standards.

The Company's production capacity is adequate to meet the demands of the export market segment, and KDDL is continuously upgrading its infrastructure and capabilities to address the more complex requirements of its Swiss customers.

KDDL is committed to improving its communication strategies by leveraging digital marketing and social media platforms in innovative ways. The feedback and response from customers have been encouraging, and the Company is dedicated to maintaining these initiatives with the utmost diligence and enthusiasm.

In the coming year, KDDL will commence commercial production of steel bracelets at its new manufacturing facility in Karnataka, with plans to ramp up volumes on a quarterly basis and reach full capacity by the end of 2024-25. This new product range and capability will open up opportunities for KDDL to enter new segments and attract new customers. This initiative aligns with the Company's continuous efforts to diversify its product offerings and enhance its capabilities to seize emerging market opportunities.

In the precision engineering business, KDDL's unit, EIGEN, is focussed on boosting revenue by expanding the Company's market presence through core capability improvements, increased value addition, and vigorous marketing efforts. EIGEN's primary objective is to increase the Company's share in high-value and complex parts and components, and to venture into segments with long gestation periods and high entry barriers. KDDL has successfully grown its customer base and market share with existing customers in new and emerging overseas segments, particularly in the field of alternate energy, including electric vehicles and solar energy.

Furthermore, KDDL maintains a robust order position with a steady influx of Requests for Quotation (RFQs) from the automotive, aerospace, and electrical segments. This ongoing trend is expected to bring significant changes to the product portfolio and segment composition. Sectors such as alternate energy and the airline industry are projected to experience higher growth rates compared to other segments.

Currently, KDDL is experiencing a steady increase in RFQs from export markets, particularly in the automotive, aerospace, and electrical sectors. This shift is attributed to major global players adopting a 'China +1' strategy. While domestic customer demands show modest growth and sensitivity to pricing, export customers prioritise high quality and timely delivery. KDDL remains committed to expanding its market share and revenue from export customers by leveraging its core capabilities.

KDDL firmly believes that India will continue to serve as a primary sourcing base for engineering components for overseas companies, driven by the 'China +1' strategy and India's position as a major global consumption centre. The Company's commitment to delivering quality products at competitive prices, coupled with rapid development and delivery solutions, provides a distinct edge and advantageous position in the market.

KDDL's focus on cost optimisation, productivity enhancement, increased capacity utilisation, and strategic product portfolio initiatives has resulted in a streamlined cost structure, leading to improved EBIDTA and PBT. This positive performance is evident in the Company's quarterly financial results. KDDL remains confident that its ongoing initiatives—including capacity expansions, entry into new segments, acquisition of new customers, integration of complex features, and normalisation of market conditions—will contribute to sustained profitability and resilience.

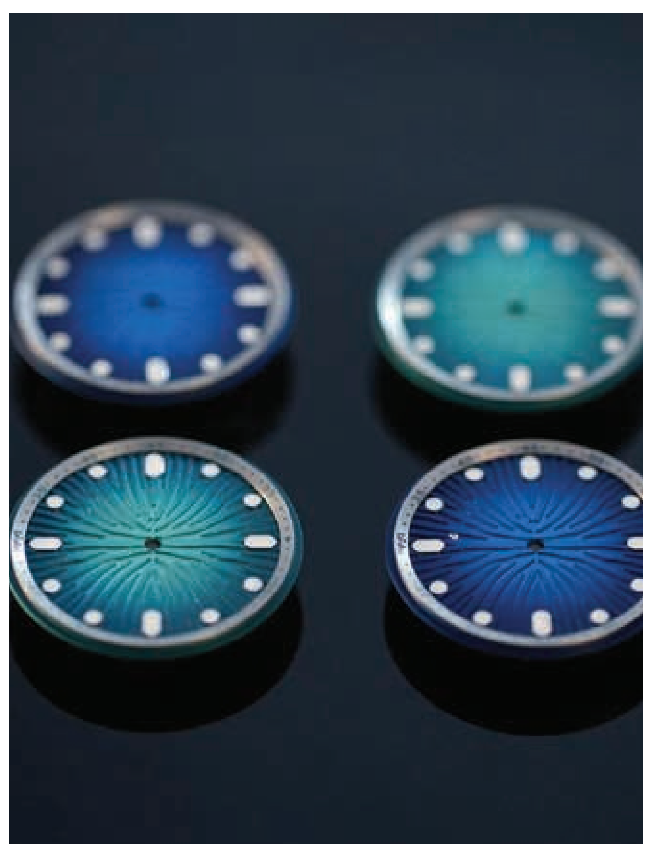
Key Financial Ratios

During the year, favourable market conditions and improved economic activity propelled KDDL to achieve record-breaking performance across all business units. This translated into a robust financial performance characterised by enhanced margins, strong liquidity, and a positive trajectory across critical financial parameters and ratios compared to previous years.

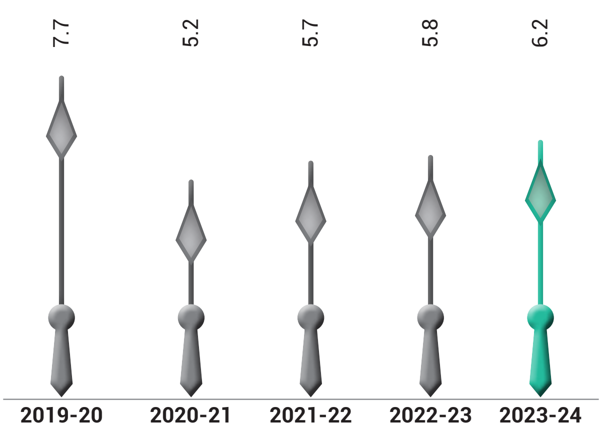
The operational earnings before interest, depreciation, taxes, and appropriations rose from Rs. 804 Million to Rs. 1,031 Million, marking a significant 28% increase over the previous year. The operating EBIDTA earnings, adjusted for exceptional and one-time items such as gains on sales of investments, dividend income, permanent diminution in investments, donations, asset write-offs, profit/loss on asset sales, and CSR expenditures, improved from 25.6% to 28.7%. This increase in EBIDTA percentage was driven by revenue growth, a favourable shift in revenue mixes across different business segments—particularly the increase in export revenue—and effective cost management practices.

Debtors' Turnover and Average Collection Period

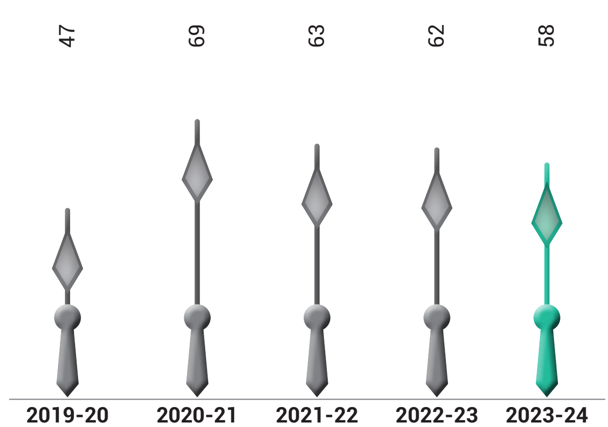
Throughout the year, there was a notable improvement in KDDL's average debtors' turnover ratio, which increased from 5.8 times to 6.2 times. Concurrently, the average collection period decreased from 62 days to 58 days. It's noteworthy that KDDL's ratio is directly impacted by revenue distribution among different business segments, as some segments require longer credit periods.



Debtors' Turnover (No. of Times)



Debtors' Average Collection on Period (No. of Days)



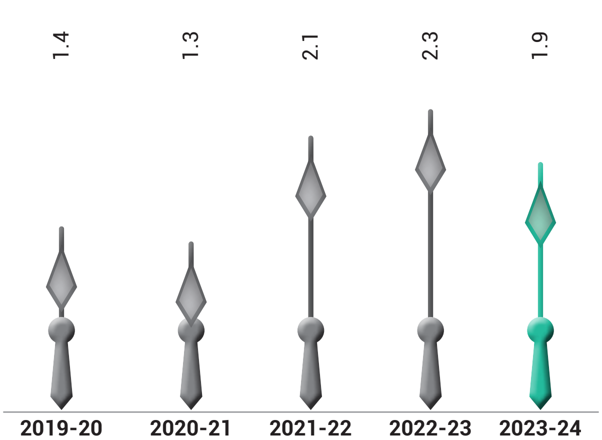
Inventory Turnover and Average Inventory Holding Period

Over the year, KDDL saw a reduction in inventory turnover from 2.3 times to 1.9 times, accompanied by an increase in the average period for holding inventory from 5.3 months to 6.2 months.

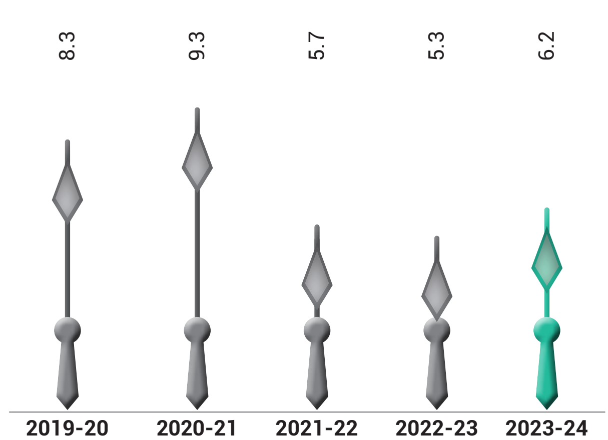
These changes are primarily attributed to shifts in the product mix and the varying business segment shares, along with longer lead times required for sourcing materials and components for new customer segments. To address these challenges, KDDL is actively seeking alternative vendors and implementing rigorous sourcing procedures, as well as reassessing minimum order quantities (MOQs).

Given the nature of KDDL's operations, higher inventory holding is necessary due to smaller lot quantities and the MOQ requirements imposed by most suppliers. Additionally, the complexity and diverse features of the Company's products necessitate the storage of various materials and inputs to meet customer demands. Critical materials specified by customers often have limited suppliers and longer lead times, further contributing to the need for higher inventory levels to ensure operational continuity and growth.

Inventory Turnover Ratio (No. of Times)



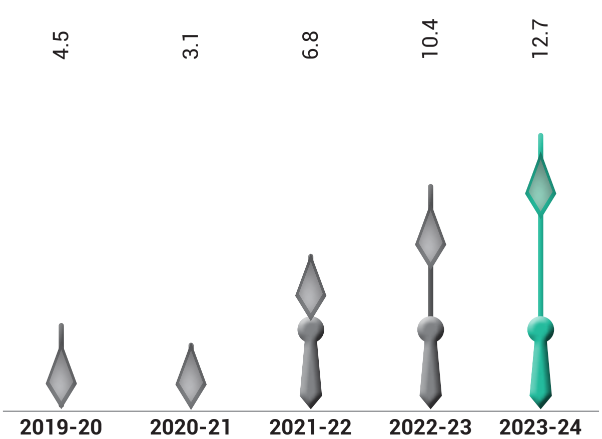
Inventory Holding Period (No. of Month)



Interest Coverage Ratio

Throughout the year, KDDL saw a notable improvement in its interest coverage ratio, measured against normalised profit, which increased from 10.4 to 12.7. This enhancement can be attributed to improved profitability and the Company's expansion in business scale. Consequently, KDDL maintained a strong liquidity position, enabling it to promptly and efficiently meet its financial obligations.

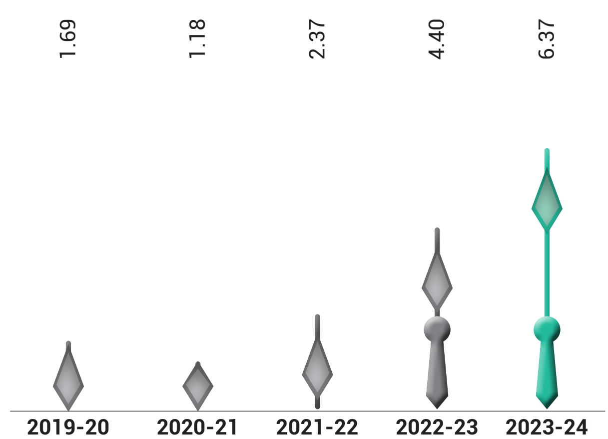
Interest Coverage Ratio (No. of Times)



Debt Service Coverage Ratio

The debt service coverage ratio remains robust for the Company and has been on an increasing trend, bolstered by limited borrowings owing to strong internal accruals. Additionally, unsecured deposits from members and Directors are on the rise, reflecting heightened confidence in the Company's reputation and track record. Secured debt from banks and other lenders is minimal. The trend of the Debt Service Coverage Ratio (DSCR) for secured debt is as follows:

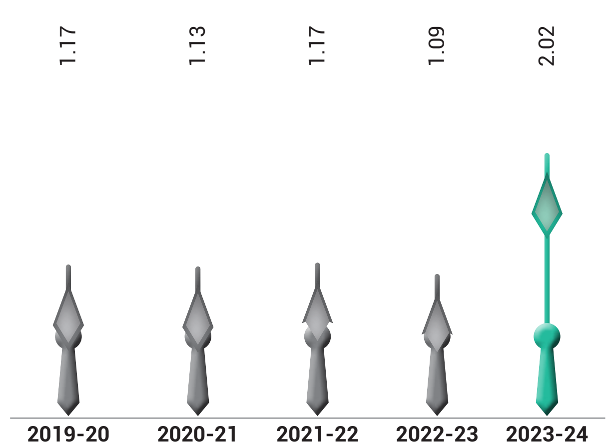
Debt Service Coverage Ratio (No. of Times)



Current Ratio

KDDL experienced a significant improvement in its current ratio, rising from 1.09 to 2.02 times. This positive development reflects the Company's enhanced financial performance and improved liquidity. Excluding the current maturities of non-current borrowings, the current ratio improved from 1.27 to 2.37 times. This improvement can be attributed to KDDL's substantial cash and bank balance of approximately Rs. 142 Crores, stemming from strong internal accruals and proceeds from investment sales. The Company's robust current ratio not only demonstrates financial strength but also surpasses regulatory requirements and industry benchmarks. These metrics collectively indicate a solid financial position for KDDL.

Current Ratio (No. of Times)

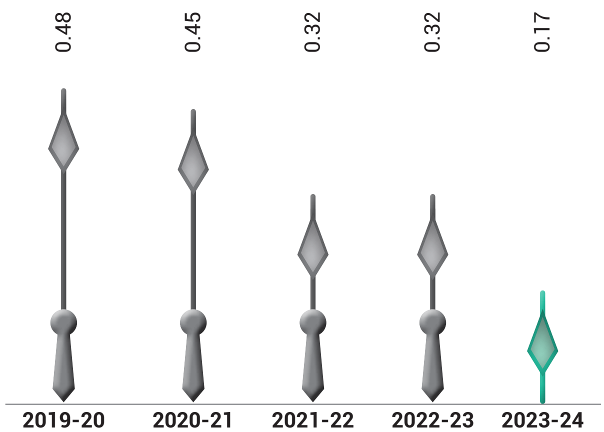


Debt-to-Equity Ratio

KDDL has successfully reduced its secured debt, including working capital bank borrowings, leading to a significant decrease in the secured debt-to-equity ratio from 0.17 to 0.06. Additionally, the total debt-to-equity ratio decreased from 0.32 to 0.17, reflecting the Company's disciplined approach to borrowing.

It is noteworthy that KDDL's debt-equity ratio remains notably robust compared to prevailing industry norms, underscoring its strong financial position and prudent financial management practices.

Debt-to-Equity Ratio (No. of Times)

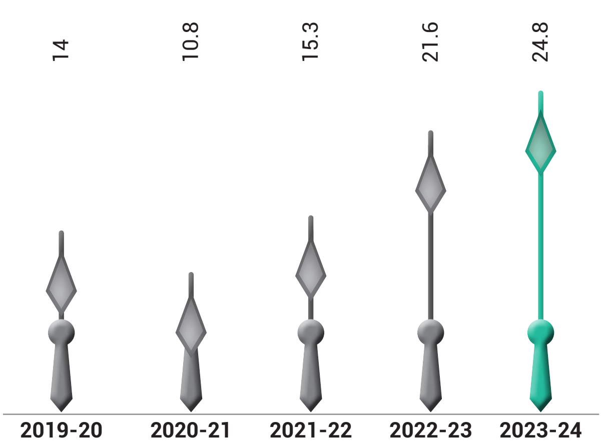


Operating Profit Margin

KDDL experienced a significant increase in its normalised operating profit margin, rising notably from 21.6% to 24.8%. This improvement is attributed to enhanced operational efficiencies across all business units, supported by a strong order position and favourable market conditions. As a result, the Company achieved robust growth in both revenue and profitability throughout the year.

Additionally, KDDL's gross margin improved to 77%, compared to 76% in the previous year, reflecting effective cost management and strategic pricing initiatives.

Operating Profit Margin (%)

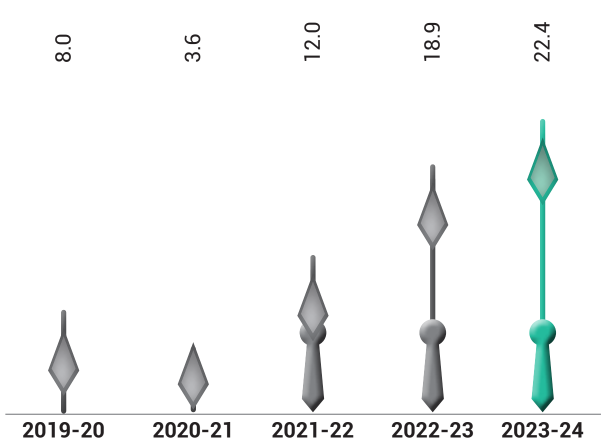


KDDL's financial performance ratios demonstrate a positive trend, as evidenced by the improvement in its operational EBIDTA from 25.4% in the previous year to 28.5%.

Net Profit Margin

KDDL observed a substantial improvement in its normalised net profit before tax, excluding abnormal and exceptional non-operational items, as well as CSR-related expenses. The percentage increased notably from 18.9% to 22.4%.

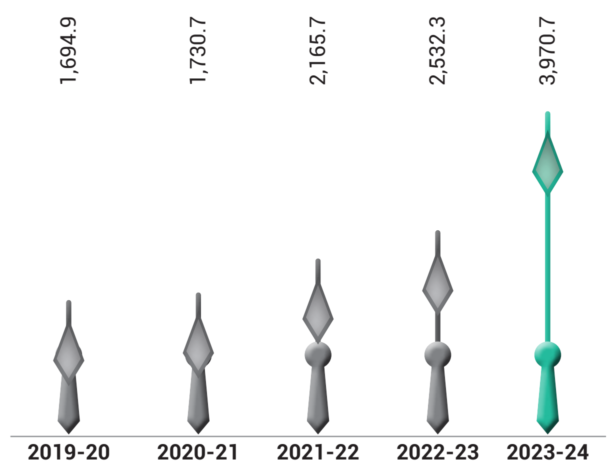
Net Profit Margin (%)



Shareholders' Funds

KDDL's reserves increased from Rs. 2,406 Million as of 31st March 2023, to Rs. 3,845 Million as of 31st March 2024, driven by retained earnings from the Company's profitability.

Shareholders' Funds (Rs. in Million)



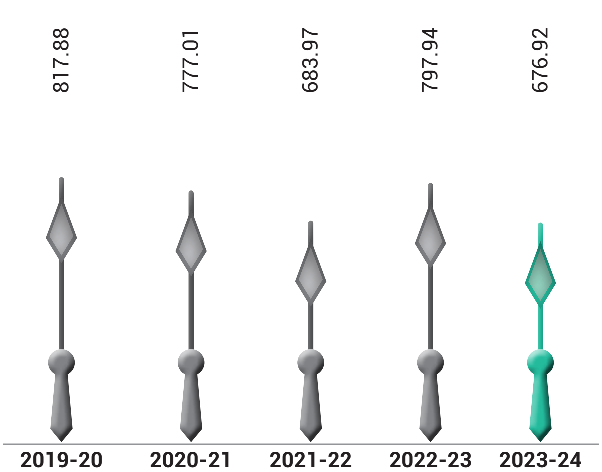
Loan Funds and Cost of Debt

The interest cost as a percentage of Gross Operating Revenue decreased from 2% to 1.6% in 2023-24. This decline was primarily driven by the Company's increased revenue, improved operational profitability, and strong liquidity position. Despite market interest rates trending upwards during the year, KDDL minimised higher-cost borrowings and optimised economic borrowing options for exports. The growing proportion of unsecured debt through deposits from members also influenced KDDL's overall interest costs relative to secured debt. The Company maintained a robust liquidity position, supported by high profitability throughout the year.

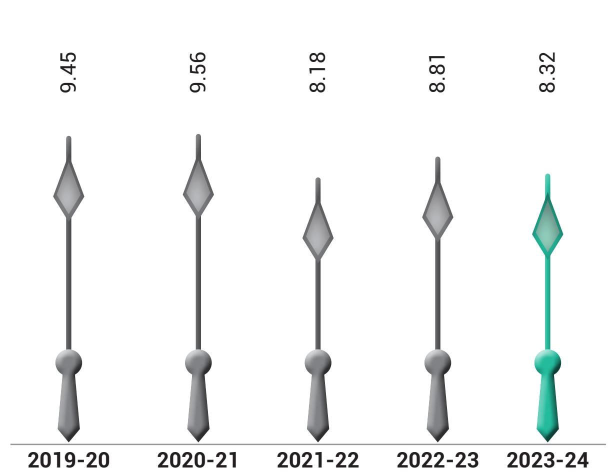
Furthermore, KDDL's overall average cost of debt decreased from 8.8% in the previous year to 8.3% during the year, benefitting from lower interest rates on member deposits and increased utilisation of cost-effective borrowing options for exports.

KDDL continues its focus on exploring alternative financing avenues to further reduce the effective cost of borrowing and remains committed to managing and optimising its overall borrowing profile to strengthen its leverage position.

Loan Funds (Rs. in Million)



Cost of Debt (%)

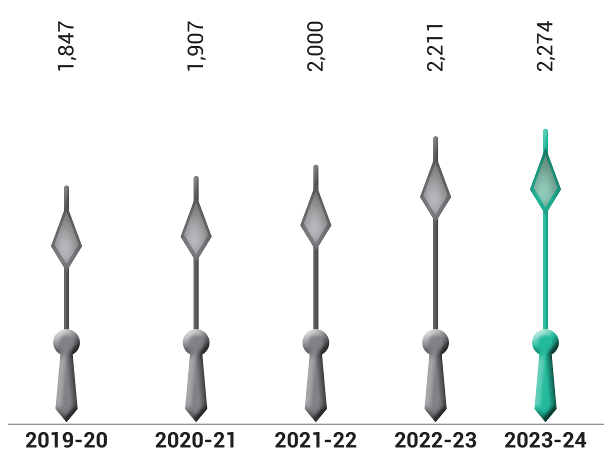


Fixed Assets

During the year 2023-24, KDDL's gross fixed assets, including capital work in progress, increased from Rs. 2,429 Million to Rs. 2,764 Million. Tangible fixed assets rose from Rs. 2,211 Million to Rs. 2,274 Million, while gross intangible assets increased from Rs. 466 Million to Rs. 474 Million. The value of right-to-use assets also saw an increase from Rs. 777 Million to Rs. 979 Million. Additionally, investment property valued at Rs. 12 Million was recorded during the year, compared to nil in the previous year. Capital work in progress significantly increased from Rs. 940 Million to Rs. 3,433 Million.

Throughout the year, KDDL's capital expenditure focussed on enhancing capacity across all manufacturing facilities and establishing a new bracelet manufacturing plant in Bengaluru.

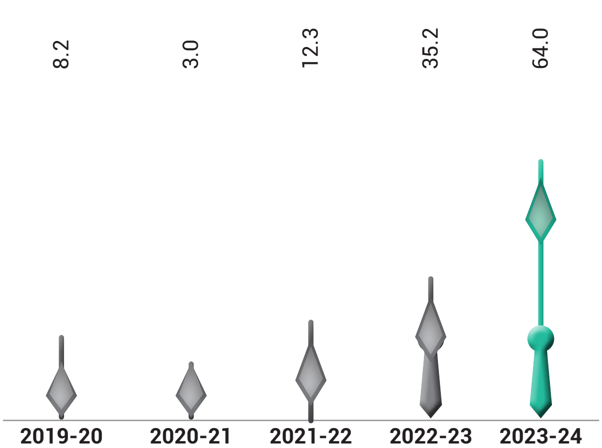
Tangible Fixed Assets **(Rs. in Million)**



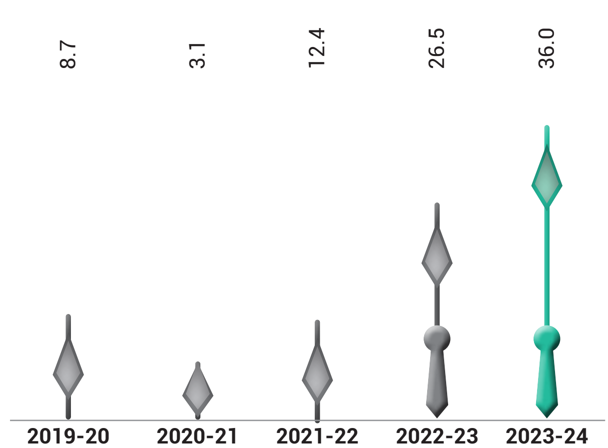
Return on Net worth

The return on net worth (overall) for KDDL improved significantly from 35.2% to 64.0% during the year, driven by strong performance, gains from the sale of investments, and high dividends received from subsidiary companies, resulting in enhanced profitability. The return on net worth from normal operations also saw improvement, rising from 26.5% to 36.0%. These figures underscore KDDL's robust financial performance, demonstrating healthy returns compared to similar companies of its type and size.

Return on Net Worth (Overall) **(%)**



Return on Net Worth (Operational) **(%)**



SUBSIDIARY COMPANY Ethos Limited

The financial year 2023-24 has proven to be exceptionally successful for Ethos Limited, witnessing substantial growth in both revenue and profitability. This achievement can be attributed to its focussed marketing efforts, robust digital initiatives, and a successful festive season that attracted customers to its stores, offering an enhanced shopping experience. Through the year, Ethos Limited opened 10 new stores, while simultaneously closing two underperforming stores. As a result, Ethos Limited's total store count increased from 54 to 62. Furthermore, it expanded its presence into 3 cities (Bhubaneshwar, Raipur and Mohali) increasing its reach to a total of 24 cities, compared to 20 cities in the previous year. On a standalone basis, Ethos Limited's revenue from operations and other income for 2023-24 exhibited an impressive growth rate of 26.92%, amounting to Rs. 1,02,009.36 Lacs. Similarly, on a consolidated basis, it achieved a growth rate of 27.33%, reaching Rs. 1,02,260.89 Lacs. In terms of net profit after tax (PAT), Ethos Limited's standalone performance for 2023-24 was remarkable, with Rs. 8,129.21 Lacs compared to the previous year's net profit of Rs. 5,979.60 Lacs. On a consolidated basis, its net profit after tax (PAT) for 2023-24 amounted to Rs. 8,329.46 Lacs, a significant rise from Rs. 6,029.82 Lacs in the previous year. Ethos Limited has successfully harnessed its digital capabilities to cater to consumer demand, recognising the growing importance of online lead sales. With digital channel accounting for 26.3% of its billings, Ethos Limited acknowledges that a significant number of customers now prefer to research and decide to buy luxury watches using digital platforms. Moving forward, it will continue to innovate and allocate resources to digital marketing, ensuring sustained engagement with its customer base. Ethos Limited is poised to benefit from this evolving trend as a predominantly luxury and premium product focussed player. The luxury and high luxury watch segments also offer better profit margins, contributing to its overall profitability. Overall, Ethos Limited's remarkable performance in 2023-24, driven by its strategic initiatives and digital prowess, positions it well for sustained growth and success.

RISKS, THREATS & CONCERNS

KDDL recognises that risks are an inherent aspect of any business endeavour and must be proactively managed to minimise their potential impact on performance and strategic objectives. Through a comprehensive and integrated risk management approach, the Company safeguards and enhances shareholder value, underscoring its commitment to sustainable growth and long-term success.

KDDL's Risk Management Policy is a robust framework that encompasses various measures, including risk identification, assessment, reporting, and mitigation procedures. This policy is subject to continuous updates to align with the dynamic operating environment and is regularly reviewed by the Board of Directors, ensuring its ongoing effectiveness and relevance in addressing emerging risks and challenges.

Furthermore, the Company fosters a risk-aware culture among its employees, encouraging early identification and proactive management of potential risks. This proactive approach empowers employees to take ownership of risk management and contribute to the overall resilience of the organisation.

KDDL's risk management efforts encompass a wide range of risks, including those of a general nature and industry-specific risks, ensuring a comprehensive and holistic approach to risk mitigation.

Risks of a General Nature

KDDL proactively addresses risks arising from the macroeconomic environment, such as political and legal changes, alterations in tax structures, and amendments in commercial rules and regulations. The Company remains vigilant and proactive in anticipating and mitigating such risks to the best extent possible, ensuring compliance and adaptability in the face of changing regulatory landscapes.

The Company is also exposed to risks from both man-made and natural disasters, including explosions, earthquakes, storms, and civil disturbances. To manage these risks effectively, KDDL incorporates best industry practices in designing structures, prioritises safety as a guiding principle in the design of technical and business processes, and obtains appropriate insurance coverage to mitigate potential losses.

Additionally, KDDL encounters market-driven risks, such as sudden declines in GDP and growth rates, overall market conditions in India and abroad, and sudden changes in market preferences. To mitigate such risks, the Company maintains a flexible and cost-effective working structure, enabling it to adjust its operations in affected areas based on dynamic market conditions, thereby ensuring business continuity and resilience.

By implementing a comprehensive risk management strategy, KDDL demonstrates its commitment to creating long-term value for its stakeholders, fostering a culture of risk awareness, and ensuring the sustainable growth and success of the organisation in an ever-evolving business landscape.

	RISK	MITIGATION
Risks Due to Decline in Overall Demand for Watches	KDDL anticipates steady growth in the Indian watch market while adapting to the evolving luxury segment dynamics. The recent decline, driven by economic factors and shifting preferences, presents opportunities with competitive pricing allowing enthusiasts to acquire coveted timepieces as long-term investments. KDDL recognises luxury watches' enduring allure, epitomising artisanry and exclusivity, catering to discerning buyers. Through strategic innovation, aligning offerings with evolving needs, and leveraging transitional phases for collection expansion, KDDL ensures sustained relevance and growth in the transforming watch industry landscape.	KDDL proactively mitigates risks from market shifts by upgrading capabilities, streamlining processes, and fostering innovation to meet evolving luxury watch needs. This strategic approach positions the Company to ascend the value chain, deliver superior customer experiences, and solidify its leadership in the luxury watch domain.
Risks Pertaining to Over Dependence on Few Companies	KDDL has forged robust and mutually advantageous relationships with several leading figures in the watch industry, both domestically in India and internationally in Switzerland. Consequently, a substantial part of the Company's operations is intricately linked with these partners, resulting in a reliance on these associations.	While KDDL greatly values its long-standing relationships with these prestigious brands and companies, it recognises the need to diversify its customer and brand partner base. Diversification is crucial to reducing the risks associated with over-reliance on specific partners. Consequently, the Company is actively working to broaden its clientele and expand into new markets and segments.
Risks Related to Over Dependence on One Business	KDDL acknowledges the necessity to lessen its heavy reliance on the watch segment and is undertaking a strategic shift to boost revenue from various other manufacturing business avenues.	To address these risks, KDDL is focussing on expanding its precision engineering components business and acquiring new capabilities. By diversifying its operations and exploring new growth opportunities, the Company aims to create a more balanced and sustainable revenue portfolio.
Foreign Exchange Risks	KDDL's manufacturing revenue is highly dependent on exports, with approximately 67% of income derived from sales denominated in Swiss Francs and US Dollars. Due to the potential for significant fluctuations in these currencies' values, the Company faces potential short- and medium-term challenges. A decrease in the value of these currencies would substantially affect its export earnings in Rs., thereby impacting profitability.	To manage this risk, KDDL has put several strategies in place. These include currency hedging where feasible and leveraging the natural hedge gained from conducting exports and imports in the same currency. Additionally, the Company aims to balance its imports and exports to further mitigate these risks. Through this proactive approach, KDDL strives to ensure long-term financial stability and success.
Risk Related to Personnel	As KDDL's business grows, the Company understands that the skills and expertise of its employees and management team are essential to its success. However, the competitive job market makes it challenging to retain key personnel, particularly in the manufacturing and retail sectors.	To address this risk, KDDL has established robust HR policies for recruitment and retention. Furthermore, the remuneration and rewards policy are regularly reviewed by top management. By proactively tackling these challenges, the Company aims to retain valuable talent, ensuring ongoing growth and success.

HUMAN RESOURCES MANAGEMENT

KDDL passionately believes that its human capital is the cornerstone of its success, and thus, places a strong emphasis on attracting, retaining, and nurturing top talent. The Company adopts a strategic and process-driven approach to Human Resources Management, aimed at fostering a culture of continuous learning, growth, and development.

At the core of this approach is a robust talent management process that spans the entire organisational hierarchy. KDDL invests in comprehensive training programmes, including succession planning, job rotations, on-the-job training, and extensive workshops and seminars. Additionally, the Company collaborates with external consultants and advisors to enrich its human capital, ensuring alignment with emerging business requirements and industry best practices.

Recognising the importance of developing a strong leadership pipeline, KDDL has proactively hired several professionals across various functions, anticipating future needs. Whenever necessary, new personnel are onboarded to build capabilities in emerging domains and bridge any gaps. The Company places a strong emphasis on nurturing internal talent through a rigorous identification process and tailored development plans for each identified individual.

KDDL understands the importance of maintaining a motivated and engaged workforce. To achieve this, the Company provides the necessary support, guidance, and encouragement, fostering a collaborative and inclusive environment. Individual and team contributions are celebrated through recognition and reward programmes implemented across the Group, promoting a sense of accomplishment and camaraderie.

As of the year under review, KDDL's total workforce, comprising both regular and contractual employees, stood at an impressive [ ] individuals. This diverse and skilled workforce is a testament to the Company's commitment to creating a dynamic and nurturing work environment that empowers its employees to reach their full potential.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

KDDL places a strong emphasis on cultivating a culture of internal control. For the purpose of achieving this, the Company has established comprehensive internal systems, controls, and policies for all major processes. This ensures the reliability of financial reporting, timely feedback on operational and strategic goals, compliance with policies, procedures, laws, and regulations, safeguarding of assets, and economical and efficient resource utilisation.

The implemented control systems help in ensuring compliance with the SEBI Listing Regulations. Additionally, the Company has well-documented Standard Operating Procedures (SOPs) for various processes, which are periodically reviewed and updated according to business needs.

The internal auditor is responsible for continuously monitoring the effectiveness of internal controls and compliance with SOPs. Their primary objective is to provide the Audit Committee and the Board of Directors with independent, objective, and reasonable assurance regarding the organisation's risk management, control, and governance processes.

The Audit Committee approves the Internal Audit scope and guidelines, while internal auditors develop an annual audit plan that is risk-based, incorporating input from major stakeholders and previous audit reports.

Significant audit observations are periodically reviewed, and follow-up actions are reported to the Audit Committee. The Audit Committee holds meetings with the Company's statutory auditors and internal auditors to obtain their views on the financial statements, including the financial reporting system, compliance with accounting policies and procedures, and the effectiveness of internal controls and systems.

The Company's top and senior management assess opportunities for improving business processes, systems, and controls. They provide recommendations aimed at adding value to the organisation and oversee the implementation of corrective actions and process enhancements.

The senior management periodically meets to evaluate the performance of each business segment and key functions within the Company. They identify areas for improvement and continuously review them.

CAUTIONARY STATEMENT

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates, and others may constitute 'forward-looking' statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Principal factors that could make significant difference to the Company's operations and actual results include among others, Government regulations, statutes, tax laws, economic developments within India and countries in which the Company conducts businesses, litigations, and other allied factors.

NOTICE

KDDL LIMITED

(CIN- L33302HP1981PLC008123)
Registered Office: Plot No 3, Sector-III, Parwanoo, Distt. Solan, (H. P)-173220
Email: investor.complaints@kddl.com; Website: www.kddl.com
Phone: 0172-2548223/24 & 27, Fax: 0172-2548302

NOTICE is hereby given that 44th Annual General Meeting (AGM) of KDDL Limited will be held on Friday, 27th September, 2024 at 12:00 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

The proceedings of the Annual General Meeting ("AGM") shall be deemed to be conducted at the Registered Office of the Company at Plot No 3, Sector-III, Parwanoo, District salon, (H.P)-173220 which shall be deemed to be the venue of the AGM.

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements of the Company (Standalone as well as consolidated) for the financial year ended 31st March, 2024 the reports of the Board of Directors and Auditors thereon.**

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

   "**RESOLVED THAT** Audited Financial Statements of the Company (Standalone as well as Consolidated) for the financial year ended 31st March, 2024 (including the Balance Sheet as at 31st March, 2024 and Statement of Profit and Loss and the Cash Flow Statement for the year ended 31st March, 2024) along with the Report of the Board and the Auditors' Report thereon, as circulated to the Members and placed before the Meeting, be and are hereby, received, considered and adopted."

2. **To confirm the payment of Interim Dividend of Rs. 58 per equity share (580%) of face value of Rs. 10 each for the financial year 2023-24 and to declare final dividend of Rs. 4 per equity share (40%) for the financial year ended 31st March, 2024.**

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

   "RESOLVED THAT interim Dividend of Rs. 58 (Rs. Fifty Eight only) per equity share of Rs. 10/- each, absorbing Rs. 72,71,52,786/- paid to the shareholders for the financial year 2023-24, as per the Resolution passed by the Board of Directors at its meeting held on 18th January, 2024 be and is hereby noted and confirmed."

   "RESOLVED FURTHER THAT payment of Final Dividend of Rs. 4 (Rs. For only) per equity share (20%) of Rs. 10/- each, absorbing Rs. 5,01,48,468/- out of current year's profit be and is hereby declared and the same be paid as recommended by Board of Directors, to those Equity shareholders whose names appear on the Register of Members of the Company as on Tuesday, 27th August, 2024 being record date."

   "RESOLVED FURTHER THAT the Board of Directors of the Company and/or Mr. Sanjeev Kumar Masown, Whole Time Director-cum- Chief Financial Officer or Mr. Brahm Prakash Kumar, Company Secretary be and are hereby severally authorised to do all such acts, deeds, things and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

3. **To re-appoint Mr. Jai Vardhan Saboo (DIN: 00025499) who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.**

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

   "**RESOLVED THAT** Mr. Jai Vardhan Saboo (DIN: 00025499) Director of the Company, who retires by rotation in terms of provisions of section 152 of the Companies Act, 2013 or other applicable provisions, if any, read with Articles of Association of the Company and being eligible for re-appointment, be and is hereby, reappointed as Director of the Company, liable to retire by rotation."

4. **To appoint Statutory Auditors of the Company.**

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

   "RESOLVED THAT pursuant to the provisions of Sections 139, and 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactments thereof for the time not me being in force) and pursuant to the recommendations of the Audit Committee and Board at their meetings held on 23rd August, 2024, **M/s Walker Chandiok & Co. LLP, Chartered Accountants (ICAI Firm registration no. 001076N/N500013), having its office at 21st Floor, DLF Square Jacaranda Marg, DLF Phase II, Gurugram - 122 002 Haryana, India** Chartered Accountants be and are hereby appointed as Statutory Auditors of the Company, (in place of S.R. Batliboi & Co. LLP, Chartered Accountants, Gurgaon, the retiring Auditor) for a term of five consecutive years to hold office from the conclusion of the 44th Annual General Meeting of the Company till the conclusion of the 49th Annual General Meeting at such remuneration plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred in connection with the audit, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company including its Committee thereof and/or Mr. Yashovardhan Saboo – Chairman & Managing Director or Mr. Sanjeev Kumar Masown, Whole Time Director-cum-Chief Financial Officer be and are hereby severally authorised to do all such acts, deeds, things and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

SPECIAL BUSINESS:

5. **Authorisation for borrowings by way of Unsecured Fixed Deposits from the shareholders of the Company.**

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

"RESOLVED THAT in accordance with the provisions of Section 73 and other applicable provisions, if any, of the Companies Act, 2013 ("the act") and the rules made there under (including any statutory modification (s) thereof for the time being in force), approval of the Shareholders of the Company, be and is hereby accorded to the Board of Directors of the Company to borrow money(s) from its shareholders by way of Unsecured Fixed Deposits subject to compliance of all the conditions and maximum limits as stated under Section 73 of the act or any other applicable provisions of the act read with rules made thereunder."

"**RESOLVED FURTHER THAT** the Deposits accepted by the Company, may be cumulative or non-cumulative as per the scheme framed by the Company and carrying such rates of interest specified in the Circular to be specifically approved by the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board of Directors, be and is hereby, specifically authorised to do all such acts, deeds and things as may be necessary to give effect to the above resolution and to settle any question, difficulty or doubt that may arise in this regard."

6. **Ratification of Remuneration to Cost Auditor for the financial year 2024-25**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration payable to M/s Khushwinder Kumar & Co., Cost Accountants (FRN: 100123) appointed by the Board of the Company to conduct the audit of cost records pertaining to electricals or electronic products and tools of the Company for the financial year 2024-25 amounting up to Rs. 1 Lac (Rs. One Lac only) plus GST & out of pocket expenses incurred in connection with the audit, be and is hereby ratified and confirmed".

"RESOLVED FURTHER THAT the Board of Directors (including its committee thereof) of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient to give effect to this resolution."

7. **Approval for Incentive Payout to Mr. Yashovardhan Saboo (DIN – 00012158), Chairman and Managing Director of the Company for the financial year 2023-24.**

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

"RESOLVED THAT pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder read with Schedule V of the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all other applicable laws including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereof, for the time being in force), pursuant to the recommendations of the Nomination & Remuneration Committee, Audit Committee and Board of Directors and subject to all necessary statutory approvals/permissions, if any, and such conditions and modifications as may be prescribed by the approving/ consenting authority(ies) while granting such approvals/ permissions, consent of the Members of the Company be and is hereby accorded for one time Incentive Payout of Rs. 106.08 Lacs (One Hundred Six Lacs and Eight Thousands) only which is over and above the total amount of remuneration as approved by the Shareholders of the Company, to Mr. Yashovardhan Saboo (DIN : 00012158), Chairman and Managing Director of the Company for the financial year ended 31st , 2024, upon such terms and conditions which may be decided, altered, modified by the Board of Directors (including its committee thereof) of the Company in accordance with all applicable provisions of laws and in the best interest of the Company.

"RESOLVED FURTHER THAT the Board of Directors (including its committee thereof) of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient in this regard."

8. **Approval for Incentive Payout to Mr. Sanjeev Kumar Masown (DIN – 035423900), Whole time Director cum Chief Financial Officer for the financial year 2023-24.**

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

"RESOLVED THAT pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder read with Schedule V of the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all other applicable laws (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereof, for the time being in force), pursuant to the recommendations of the Nomination & Remuneration Committee, Audit Committee and Board of Directors and subject to all necessary statutory approvals/permissions, if any, and such conditions and modifications as may be prescribed by the approving/consenting authority(ies) while granting such approvals/permissions, consent of the Members of the Company be and is hereby accorded for one time Incentive Payout of Rs. 78.46 Lacs (Rs. Seventy Eight Lacs and Forty Six Thousands) only which is over and above the total amount of remuneration as approved by the Shareholders of the Company, to Mr. Sanjeev Kumar Masown (DIN – 03542390), Whole time Director cum Chief Financial Officer for the financial year ended 31st , 2024 , upon such terms and conditions which may be decided, altered, modified by the Board of Directors (including its committee thereof) of the Company in accordance with all applicable provisions of laws and in the best interest of the Company."

"RESOLVED FURTHER THAT the Board of Directors (including its committee thereof) of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient in this regard."

9. **Approval for increase in overall Borrowing Limits of the Company under Section 180(1)(a) of the Companies Act, 2013.**

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

"RESOLVED THAT in supersession of all the earlier resolutions passed in this regard and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactments thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of Director(s) (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board of Directors by this Resolution), for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 150 Crores (Rs. One Hundred Fifty Crores) only."

"RESOLVED FURTHER THAT the Board of Directors (including its committee thereof) of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient in this regard."

For and on behalf of the Board of Directors

Brahm Prakash Kumar
Company Secretary
Membership no. : F7519

Date: 23rd August, 2024
Place: Gurugram

KDDL Limited
CIN – L33302HP1981PLC008123
Registered office- Plot no. 3, Sector III,
Parwanoo-173 220, Himachal Pradesh
Corporate office – S.C.O. 88-89, Sector 8 C
Madhya Marg, Chandigarh 160009
www.kddl.com
investor.complaints@kddl.com

NOTES:

1. Pursuant to the General Circular no. 09/2023 dated September 25, 2023, other circulars issued by the Ministry of Corporate Affairs (MCA) and Circular no. SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the Annual General Meeting ('AGM') of the Company is being held through Video Conference (VC) / Other Audio Video Means (OAVM) during the calendar year 2024. The registered office of the Company shall be deemed to be the venue of the AGM.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 5 to 9 of the Notice, is annexed hereto..

3. Since the AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

4. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2022-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or CDSL / NSDL ("Depositories"). Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.kddl.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL www.evoting.nsdl.com

5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In accordance with Secretarial Standard -2 on General Meetings issued by institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standard-1 and 2 dated 15th April, 2020 issued by the ICSI ,the proceeding of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be deemed venue of the AGM. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

6. The Record Date for determining entitlement of Members for the payment of final dividend for the financial year ended 31st March, 2024 if approved by the Shareholders at 44th Annual General Meeting of the Company is Tuesday, 27th August, 2024.

7. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and are desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company/RTA.

8. In accordance with the provisions of Regulation 40 (1) of the Securities and Exchange Board of India (Listing Obligation and disclosure Requirements) Regulation, 2015, effective from 1st April, 2019, transfer of securities of the Company shall not be processed unless the securities are held in the dematerialised form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialised so as to be able to freely transfer them and participate in corporate actions.

9. In accordance with the provisions of Section 124 of the Companies Act, 2013 and rules made their under, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. In terms of the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amount lying with the Company on its website.

10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with

NOTICE (Contd.)

whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ RTA.

12. As required under regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant details of Director retiring by rotation and/or seeking re-appointment at the ensuing AGM are furnished as annexure A to this notice of AGM.

13. The Shareholders who have not registered their e-mail address are requested to update their e-mail addresses with their depository participants in case the shares are held in demat form or with the Company/RTA in case the share are held in physical form to enable the Company to send all the communications including Annual Report, Notices, Circulars, etc. electronically.

14. Members may also note that the Notice of 44th Annual General Meeting and the Annual Report for 2023-24 will also be available on the Company's website www.kddl.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on all working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investor.complaints@kddl.com.

15. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

16. Corporate Members intending to send their authorised representatives to participate and vote through remote e-voting or at the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution/Authority Letter etc. authorising their representative to attend and vote.

17. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

18. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

19. The Securities and Exchange Board of India ('SEBI') vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021, circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 16th March, 2023 (now rescinded by Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated 17th May, 2023) read with SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17th November, 2023 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number) and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Registrar will not process, any service requests or complaints received from the member until unless above KYC and nomination will not be completed by shareholder.

20. The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members only electronically by rescinded the SEBI circular SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 by issuance of Master Circular for Registrars to an Issue and Share Transfer Agents dated 17th May, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17th November, 2023, all dividend payments after 31st March, 2024, will be processed only electronically. Further, relevant FAQs have also been published by SEBI on its website at the following web link for investor awareness: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

    The shareholders can download the forms mentioned in SEBI circular from the website of the RTA i.e. www.masserv.com. For any quarries in this regard send an e-mail request at investor@masserv.com

21. **Remote E-voting:**

(a) In compliance with the provisions of Sections 108 and 110 of the Act, read with the Companies (Management and Administration) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to offer E-voting facility to its Members, to enable them to cast their votes electronically. The Company has appointed National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com for facilitating e-voting to enable the members to cast their votes electronically (hereinafter referred to as the "Remote e-voting").

(b) The voting period begins on Monday 23rd September, 2024 at 09.00 A.M (IST) and ends on Thursday, 26th September, 2024 at 5:00 p.m. (IST). During this period, members of the Company holding equity shares either in physical form or in dematerialised form, as on the cut-off date i.e., Friday, 20th September, 2024 (cut-off date) may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

(c) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Friday, 20th September, 2024 being the cut-off date fixed for the purpose.

(d) The procedure for remote e-voting is as under:

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to **e-Voting website of NSDL** for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
	4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

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

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

NOTICE (Contd.)

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

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Power of Attorney/Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to ajaykcs@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on **"Upload Board Resolution/Authority Letter"** displayed under **"e-Voting"** tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Amit Vishal, Asst. Vice President at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@masserv.com or investor.complaints@kddl.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy

of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@masserv.com or investor.complaints@kddl.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e.**Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.infor procuring user id and password for e-voting by providing above mentioned documents.

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

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/ AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor.complaints@kddl.com . The same will be replied by the Company suitably.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5

Section 73(2) of the Companies Act, 2013 ("the Act") makes it mandatory for the Company to obtain approval of General Meeting before accepting any borrowing from the shareholder by way of Fixed Deposits. As the conditions and maximum limits for accepting deposits from the Shareholders have been laid down in the Companies (Acceptance of Deposits) Rules, 2014 ("the rules") so approval of the shareholders is required for accepting deposits after complying with all the conditions as stated in Section 73(2) of the Act and within the limits prescribed under the rules.

The Deposits accepted by the Company may carry such rates of interest specified in the Circular to be specifically approved by the Board of Directors of the Company subsequent to the approval of the shareholders.

In view of above, approval of shareholders is sought by way of an Ordinary Resolution under Section 73(2) and other applicable provisions of the act as set out at item No. 5 of the notice.

NOTICE (Contd.)

No Director, Key Managerial Personnel and their relatives is in any way, except to the extent of their shareholdings, concerned or interested in the resolution, set out at item no. 5 of the notice.

The Board recommends the Ordinary Resolution as set out at item no.5 in the notice for approval by the members.

ITEM NO. 6

The Board of Directors at its meeting held on 14th August, 2024 upon the recommendations of the Audit Committee, approved the appointment of M/s Khushwinder Kumar & Co., Cost Accountants (Registration No.100123) as the Cost Auditor of the Company to conduct the audit of cost records of the Company pertaining to Electricals or electronic products and tools for financial year commencing from 1st April, 2024 to 31st March, 2025 at a remuneration of up to Rs. 1,00,000/- (Rs. One Lac only) plus GST & out-of pocket expenses on actual basis.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (as amended from time to time) the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2025, as set out in the Ordinary Resolution for the aforesaid services to be rendered by them.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the said Resolution.

The Board of Directors recommends the Ordinary Resolution as set out at item No. 6 of the notice for approval by the Members

ITEM NO. 7 & 8

The Nomination & Remuneration Committee (NRC) of the Board of Directors of the Company at its meeting held on 28th July, 2022 had approved a policy and guidelines for the additional incentive payout for the distribution of excess operational profit compared to the financial budget and previous year actual profit with all eligible employees (above manager level) including Executive Directors of the Company. The main spirit and objective of the policy is to share fixed percentage of the excess profits to reward and motivate the employees for their contribution, efforts and hard work leading to higher and better performance.

As per the policy approved by NRC , this additional incentive is to be paid to all eligible employees in managerial and leadership grades in proportion to their variable incentive and also on the basis of the actual performance of the respective business unit, segment, and Company.

During the previous financial year ended 31st March, 2024, Company's performance was significantly higher (by Rs. 23.48 Crores) compared to the actual performance of financial year 2022-23 and also higher than the financials budgets (by Rs. 19.63 Crores) for the financial year 2023-24.

Accordingly, the Board of Directors of the Company, pursuant to the recommendations of Nomination and Remuneration Committee (NRC) and Audit Committee, at its meeting held on 14th May, 2024 and subject to the approval of Shareholders, recommended one time Incentive Payout for Mr. Yashovardhan Saboo and Mr. Sanjeev Kumar Masown which is applicable to all managerial staff.

Further, the Shareholders vide Special Resolution passed through Postal Ballot dated 15th June, 2023 re-appointed Mr. Yashovardhan Saboo and approved his remuneration for a period of three financial years w.e.f 1st April, 2023 till 31st March, 2026. Also, the Shareholders vide Special Resolution passed through Postal Ballot dated 12th August, 2024 re-appointed Mr. Sanjeev Kumar Masown as Whole time Director (with functional designation of Chief Financial Officer) of the Company and approved his remuneration for a period of three financial years w.e.f 31st May, 2024 till 30th May, 2027.

As per these guidelines, the excess operational profit is already distributed to all eligible employees (except Executive Directors) covered under the scheme as one time payment. However, the additional incentive payout to Mr. Yashovardhan Saboo and Mr. Sanjeev Kumar Masown is still not paid due to the maximum limit of remuneration already approved by the Shareholders.

The proposed incentive payout (as detailed above) for the financial year ended 31st March, 2024, duly recommended by the Board of Directors pursuant to the recommendations of Nomination and Remuneration Committee and Audit Committee, at its meeting held on 14th May, 2024 is over and above the limits already approved by the Shareholders, payment of which requires Shareholders' approval and the same is being sought now in ensuing Annual General Meeting of the Company by way of Special Resolution, in accordance with the provisions of Section 197, Schedule V and all other applicable provisions of the Companies Act, 2013 and Listing Regulations.

Details of proposed incentive amount for the financial year ended 31st , 2024 are given below:

Sr. No	Name & Designation	Incentive Amount for the financial year ended 31st March, 2024 (Rs. in Lacs) for approval of the Shareholders
1	Mr. Yashovardhan Saboo – Chairman & Managing Director	106.08
2	Mr. Sanjeev Kumar Masown – Whole time Director cum CFO	78.46

The following additional information as required under Part II Section II of Schedule V of the Companies Act, 2013 is being furnished hereunder:

I. GENERAL INFORMATION:

1) Nature of Industry:

The Company is in the business of manufacturing of watch components (watch dials and watch hands), precision engineering components and press tools.

2) Date or expected date of commencement of commercial production:

6th February, 1981

3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4) Financial performance based on given indicators:

Amount (Rs. in Lacs)

Particulars	Standalone		
	2023-24	2022-23	2021-22
Total Income	55,369.61	36,361.02	22,336.69
Profit/ (Loss) before tax	25,401.03	8,923.79	2,740.28
Profit/(Loss) after tax	22,004.96	6,923.13	2,129.36

5) Foreign investments or Collaborators, if any

The Company does not have any foreign collaborations as on the date of this Notice. As on 31, 2024, the Company has investments in the following overseas hundred percent (100%) subsidiaries as detailed below:

Sr. No.	Name of the Company	Amount (Rs. in Lacs)
1	Pylania SA, Switzerland	281.24
2	Kamla International Holdings SA, Switzerland	1,944.36

II. INFORMATION ABOUT THE APPOINTEE:

(1)	Background details	**(a) Mr. Yashovardhan Saboo:** He is B.A. (Hons.) and MBA from IIM, Ahmedabad. He started his career in 1980 as Director of Groz-Beckert Saboo Limited, Chandigarh and was the Managing Director of the Company from 1991 to 1993. In 1983, he set up Kamla Dials and Devices Limited (now KDDL Limited) as Managing Director of the Company. In 2003, he set up Ethos. In 2006, he set up the Precision Stamping division, EIGEN Engineering, at Bangalore. He has been conferred with “UdyogRatna” Award from PHDCCI in 2005 for valuable contribution to the economic development of Himachal Pradesh. **(b) Mr. Sanjeev Kumar Masown:** is an Executive Director of our company since 2016, in addition to his role as Chief Financial Officer (CFO) since 2011. He is a Qualified CMA and Fellow Member of the Institute of Cost Accountants of India and also a Commerce Post Graduate. He is a certified Six Sigma Green Belt holder. He has more than 30 years of experience in manufacturing companies listed in the Stock Exchange.

NOTICE (Contd.)

	Past remuneration (last 3 financial years)	**Mr. Yashovardhan Saboo:** Details of remuneration drawn from KDDL Limited : 2023-24: Rs. 609.97 Lacs 2022-23: Rs. 320.88* Lacs 2021-22: Rs. 300.41 Lacs *Excluding one time value creation award of Rs. 1,900 Lacs Details of remuneration drawn from Ethos Limited : 2023-24: Rs. 192.84 Lacs 2022-23: Rs. 5.33 Lacs **Mr. Sanjeev Kumar Masown:** Details of remuneration drawn from KDDL Limited : 2023-24: Rs. 263.86 Lacs 2022-23: Rs. 154.28 Lacs 2021-22: Rs. 144.89 Lacs
(3)	Recognition or awards	**Mr. Yashovardhan Saboo :** • Chairman- CII Chandigarh, 2002 • Founder Member YTTS, an NGO involved with running various school programmes for underprivileged youth. • Actively associated in organisations as Rotary Club Chandigarh, AIESEC, Spic Macay. • Udyog Ratna Award from PHDCCI in 2005 (For valuable contribution to economical development of Himachal Pradesh)
(4)	Job profile and his suitability; Comparative remuneration prof ile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	**Mr. Yashovardhan Saboo** Our Company benefits greatly from an experienced management team with deep industry know-how and knowledge. The management team is led by Mr. Yashovardhan Saboo, our Chairman & Managing Director. Mr. Saboo has rich experience of handling various areas of business and is well known in the industry. His respective skill sets and experience place him in a correspondingly equal position at major diversified Companies in India. **Mr. Sanjeev Kumar Masown** Our Company benefits from his vast experience and understanding of the industry and exposure to various fields and areas relevant for the Company. His expertise and strong background in financial planning and strategies, reporting, fund raising, banking, financial modelling and restructuring, mergers, acquisitions, accounting, tariffs and duties like anti-dumping, safeguard duties, subsidy, EOU's, taxation, compliances, creating efficient financial processes, fund management, automation, risk management, commercial areas, etc. brings added advantage to company. He is directly leading our strategic and fast-growing precision engineering business segment "Eigen". His leadership qualities, business acumen, strong commercial background, relationship management, out of box thinking, people centric approach and strategic initiatives are acting as catalyst in the growth and development of the Company and enhancing value for the shareholders.
(5)	Remuneration proposed	Details forms a part of Explanatory Statement
(6)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel [or other director], if any	**Mr. Yashovardhan Saboo** (a) Mr. Yashovardhan Saboo is the Promoter of the Company and is holding 22,14,664 equity shares (i.e. 17.66 % of the paid up capital) in the Company. (b) Fixed Deposits of Rs. 4.02 Crores (indirectly). (c) Mr. Yashovardhan Saboo is a brother of Mr. Jai Vardhan Saboo and husband of Mrs. Anuradha Saboo, Non- Executive Directors of the Company. **(d) Mr. Sanjeev Kumar Masown** Fixed Deposits of Rs. 2.18 Crores (directly and indirectly)

III. INFORMATION

1) Reasons for inadequate

During the financial year ended 31st March, 2024, the Company has reported profits. The provisions of section 197 of the Companies Act, 2013 puts a cap for the payment of remuneration to Executive and Non-Executive Directors. The total remuneration payable to Executive Directors will exceed the limits as mentioned in the section 197 of the Companies Act, 2013. Hence, in accordance with the provisions of Section 197 read with schedule V thereof, approval of the Shareholders is being sought by way of the Special Resolution set out in this Postal Ballot notice.

2) Steps taken or proposed to be taken for improvement:

The performance of the Company during the year was very healthy and company achieved new milestones and records. We are witnessing a healthy demand both from domestic and exports markets and expect this trend to continue in the coming months. The Company has initiated various steps for enhancing revenue and market share by better communication, digital marketing and social media. The response and feedback from the customers have been encouraging and we plan to continue these initiatives with high rigor and enthusiasm. The Company continues to focus on improving efficiency, productivity, turn – around time and upgrading the product offering and range by continuous enhancement of employee's skills. Company is also enhancing the capacity of the factories for meeting the additional demand from various customers. The Company is expanding its market presence in new segments and getting favourable response from the overseas market players. The Company continues to focus on the cost optimisation for improving the profitability of the Company. We strongly believe that the profitability of the Company will be remain healthier and stronger.

3) Expected increase in productivity and profits in measurable terms:

The financial performance of the Company continues to be on healthy growth trajectory. The financial position, liquidity and other important parameters of profitability, gearing and growth are satisfactory and better compared to other similar type of manufacturing industries. The steps and initiatives undertaken by the Company for its business stream is likely to result in healthy growth of revenue and profitability in the coming years.

Your Directors recommend the resolutions set out at Item no. 7 & 8 for approval of the Members by way of Special Resolution.

None of the Directors and Key Managerial Personnel or their relatives except Mr. Yashovardhan Saboo, Mr. Jai Vardhan Saboo and Mr. Sanjeev Kumar Masown, are either concerned or interested in the resolution.

ITEM NO. 9

The Shareholders of the Company at their 34th Annual General Meeting held on 6th August, 2014 through a Special Resolution under Section 180(1)(c) of the Companies Act, 2013 authorised the Board of Directors to borrow money apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be exceed Rs. 100 Crores (Rupees One hundred Crores).

It is proposed to increase the borrowing limits to enable the Directors to borrow money for the operations of the Company. Under the provisions of Section 180(1)(c) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution.

Hence, approval of the Shareholders is being sought under Section 180(1(c) of the Companies Act, 2013. None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the said Resolution.

The Board of Directors recommends the Ordinary Resolution as set out at item No. 9 of the notice for approval by the Members

For and on behalf of the Board of Directors

Brahm Prakash Kumar
Company Secretary
Membership no. : F7519

Date: 23rd August, 2024
Place: Gurugram

KDDL Limited
CIN – L33302HP1981PLC008123
Registered office- Plot no. 3, Sector III,
Parwanoo-173 220, Himachal Pradesh
Corporate office – S.C.O. 88-89, Sector 8 C
Madhya Marg, Chandigarh 160 009
www.kddl.com
investor.complaints@kddl.com

ANNEXURE A

The brief profile, specific areas of expertise and other information of Director seeking re-appointment:

Name of the Director	**Mr. Jai Vardhan Saboo (DIN : 00025499)**
Date of Birth	7th July, 1963
Date of first appointment on the Board	12th December, 2016
Date of re-appointment	27th September, 2022
Brief Resume, Expertise in specific functional areas	Mr. Jai Vardhan Saboo is a Promoter Director of our company since 2016. He serves as the Chief Executive Officer of Harmonia Holdings Group LLC, a leading systems integrator and information technology services company in the United States. Mr. Saboo also has various other business interests in the US and is an active angel investor in startups around the world. He is an active philanthropist and serves on the national board for Pratham USA. He has over 30 years of international business experience in multiple industries and is an alumnus of the Kellogg School of Management at Northwestern University and the Wharton School at the University of Pennsylvania.
Qualification	M. Tech, MBA
No. Board Meetings attended in financial year 2023-24	3
Directorship held in other Public companies (excluding foreign Company and section 8 Company) – As on 31st March, 2024	NA
Membership/ Chairmanship of Committees of other Public companies (includes only Audit Committee and Stakeholders' Relationship Committee) - As on 31st March, 2024	NA
Number of shares held in the Company as on 31st March, 2024	Nil
Relationships with other Directors/KMP	He is brother of Mr. Yashovardhan Saboo, Chairman & Managing Director of the Company.
Listed entities from which the person has resigned in the past three years	NA
Remuneration last drawn in the financial year 2023-24	Rs. 1,37,500 being sitting fees

BOARD'S REPORT

Dear Members,

Your directors present this 44th Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March 2024.

OPERATIONS AND PROSPECTS

Financial Results (Standalone and Consolidated)

The summary of operating results for the year 2023-24 and previous 2 years is given below:

Particulars	Amount in Rs millions					
	Standalone			Consolidated		
	2023-24	2022-23	2021-22	2023-24	2022-23	2021-22
Income- Operational	3,599.2	3..139.1	2,233.7	14,197.7	11,387.6	8,315.8
Income- Investment	1,937.7	497.0				
Total Income	5.537.0	3,636.1	2,233.7	14,197.7	11,387.6	8.315.8
Profit before interest, depreciation and exceptional item	2,767.2	1,104.6	466.5	2,766.4	1,804.6	1,224.8
Less: Finance Cost	88.5	85.1	75.4	262.2	239.6	247.7
Gross Pro-fit	**2,678.7**	**1,019.5**	**391.1**	**2,504.2**	**1,565.0**	**977.1**
Less: Depreciation and amortisation	138.6	127.1	117.1	649.3	493.9	453.8
Profit before Share of Profit of an associate	2,540.1	892.4	274.0	1,854.9	1,071.1	523.2
Share of Profit of an associate				7.4	5.0	(0.4)
Profit B efore tax	2,540.1	8924	274.0	1,862.3	1,076.0	522.9
Less: Tax Expense	339.6	200.1	61.1	487.8	306.2	150.9
Net Profit i (Loss) for the Year	**2,200.5**	**692.3**	**212.9**	**1,374.5**	**769.8**	**372.0**
Other Comprehensive Income / (Loss) (OCI)	(9.0)	(1.6)	1.0	(14.1)	(4.8)	7.1
Total Comprehensive Income / (Loss) for the period	2,191.5	690.7	213.9	1,360.4	765.0	379.1

PERFORMANCE AND PROJECTIONS

The performance for the financial year 2023-24 was strong and better compared to the previous year. All business and market segments witnessed healthy growth as the economic activities and market conditions were continuously on the growth trajectory. All business units of the company reported better revenue and profitability during the year.

During the year, the Company achieved consolidated sales revenue of Rs. 14198 Million against Rs. 11388 Million in the previous year, registering a very robust growth of 24.7%.

Profit before tax during the year increased from Rs. 1076.0 Million to Rs. 1862.3 Million, registering a growth of 73.1% over the previous year.

Sales revenue from manufacturing operations on a standalone basis improved by 14.7% to Rs. 3599.2 Million from Rs. 3139.1 Million in the previous year. This growth is on a higher revenue base of last year wherein the operational revenue grew by 40.5%. The overall revenue on a standalone basis, which included dividend income of Rs. 720.7 Million and Profit from the sale of investments of Rs. 1217.0 Million, was Rs. 5537 Million during the year, compared to the previous year's revenue of 3636.1 Million (including Profit from the sale of investments of Rs. 107 Million and one-time revenue of Rs. 390 Million from the sale of trademark "Ethos" and "Summit"). During the year the company purchased 24370 equity shares of Ethos Ltd (a subsidiary company) for the value of Rs. 397.87 lacs and sold 4,90,000 equity shares for a total consideration of Rs. 12,244.90 lacs.

The growth in operational revenue is a record for the company and an indication of a very strong performance compared to the normal industry parameters.

During the year, the company had made impairment allowance of Rs. 195.75 Million due to a permanent diminution in the investment in its overseas subsidiaries.

The company reported profit before tax of Rs. 2,540.1 Million (Operational profit before tax of Rs. 798.12 Million) compared with the profit before tax of Rs. 892.4 Million (Operational profit before tax of Rs. 585.4 Million) registering an overall growth of 184.6% (operational growth of 36.3%) over the previous year.

The company earned net profit after tax of Rs. 2,200.5 Million against Rs. 692.3 Million in the previous year.

Manufacturing Business Segments

The largest revenue of the manufacturing business segment is from watch components accounting for around 68% of the revenue of the company. During 2023, the Swiss watch market, the principal destination for our exports, witnessed a growth of 7.6% over 2022, and recorded the ever-highest exports of 26.7 Billion Swiss francs. Growth in the first half of the year was 11.8% before slowing down to 3.6% in the second six months of the calendar year.

The total number of units exported in 2023 reached 16.9 Million, up 7.2% vs 2022 (10.6m quartz and 6.3 m mechanical watches). However, the total number has declined by a cumulative -35% since 2008 recession (26.1m then) and-43% since the most recent peak (29.8 m units in 2011 in total of which 24 m quartz and 6m mechanical watches) over the past decade or so, the number of quartz watches has essentially halved, while the number of mechanical watches is more or less stable. Since 2008, in value terms the market is modestly up by 3% CAGR due a mix effect : exports of higher prices watches have continued to grow led by brands such as Rolex, Patek Philippe and Audemars Piguet while entry level / mid-range Swiss watches have contracted.

2024 looks calmer for both exports and the number of people employed in the sector, Subcontractors and suppliers particularly are expecting a less positive outlook for this year. Although the sluggish economic situation has only appeared to have a partial impact on the luxury goods market, it is nonetheless affecting consumer confidence at all levels and several brands have already indicated that they intend to be cautious in their forecasts. In addition, the particularly high level of the Swiss franc will affect results, particularly in the entry-level and mid-range segments.

The domestic watch market was also strong in the first half of the financial year but remained sluggish during the second half. There are also trends of customers and brands sourcing higher assembled watches from China /Hongkong and sourcing of components from China have also increased and the earlier trend of preferring domestic sourcing and China plus one strategy seems to be weakening in watch industry.

The primary focus of the management during the year was to ensure that the customers' requirements were fulfilled by enhancing the productivity and capacity and capability of the units.

The revenue (net sales) of the company from the watch components business improved by 10.8% compared to the previous year's growth of 38.1%. Sales in the domestic market declined by 7.3% compared to a growth of 15.3% in the previous year, while exports sales of watch components improved by 17.3% compared to a growth of 48.6% in the previous year. The growth in exports revenue was also supported partially by the favorable currency movement in the Swiss franc and rupee conversion. The growth trend of the watch component business clearly indicates that the company is gaining market share in India and abroad with its consistent track record of high quality, innovative product range, speed of response and the strong customer relationship.

The other major segment of revenue is from the precision stamping and tooling business, wherein the company revenue improved by 26.4% over the previous year compared to a growth of 51.9% recorded in the previous year. The revenue from domestic market improved by 8.3% while the revenue from exports improved by 37.0% (Previous year growth rate 95.0%). The increase in exports during the year, on an already higher base of the previous year, clearly indicates the strong demand and improvement of market share in overseas segments. Direct exports continue to improve during the year as many new customers were inducted and the growth in business with existing customers. The share of exports in this business segment improved from 63% in 2022-23 to 69% during the year. Domestic market segments are also witnessing growth but at a modest pace and the company is also cautiously reducing its presence in the low margin and lower capability business segments and gradually moving up the value chain into preferred segments and customers by re-aligning the capability and capacity of the manufacturing unit.

The revenue from the ornamental packaging business of the company improved by 18.1%.

Prospects

The exports order position is modest and likely to remain sluggish during the year for the watch component business with the assumption that market and geo-political environment in major economies and markets remain uncertain and the market situation will be challenging.

We do expect an improvement in the domestic watch market, and it will provide us with the opportunity to enhance our market share in the coming quarters.

We will maintain our focus on enhancing revenue by structured marketing efforts including a stronger digital presence to show case new products and features. Manufacturing excellence with the goals of world class delivery compliance, quality and turnaround time (TAT) will remain our key operational goals.

During the year, the company will enhance its revenue in the watch components business as the watch bracelet business will commence commercial production. In addition, the enhanced capacity of ornamental packaging business will provide additional revenue from this business segment.

The revenue of the Precision Engineering business of the Company is expected to grow very strongly by as we continue to expand our customer base and reach in new segments and markets. Your company has established its reputation as a quality supplier with the ability to meet sophisticated customer needs. By focusing on the vital levers of operational performance while adding key technical capabilities and show-casing our capabilities at leading international trade exhibitions and with aggressive digital marketing, we are confident of adding new customers and continue growth and improved returns.

Retail Business Segment

Ethos Limited has experienced an exceptional financial year in 2023-24, showcasing impressive growth in both revenue and profitability. On a standalone basis, Company's revenue from operations and other income surged by 26.92%, reaching Rs. 1,02,009 Lacs. The Company achieved a remarkable net profit of Rs. 8,129.21 Lacs, compared to Rs. 5,979.60 Lacs in the previous fiscal year, reflecting a substantial increase in profitability. On a consolidated basis, Company's revenue grew by 27.33%, totalling Rs. 1,02,260.89 Lacs. The consolidated net profit for FY 2023-24 was Rs. 8,329.46 Lacs, up from Rs. 6,029.82 Lacs the previous year, indicating strong financial health and operational efficiency. The Company has effectively capitalised on its digital capabilities to meet evolving consumer preferences and drive sales growth. Looking ahead, Ethos Limited is committed to continuing its investment in digital innovation, brand-building and marketing to maintain and enhance customer engagement. Overall, Ethos Limited's remarkable performance in FY 2023-24, driven by its strategic initiatives and digital prowess, positions it well for sustained growth and success.

Pylania SA

During the fiscal year 2023-24, Pylania SA maintained its multiple business revenue streams, encompassing partial manufacturing of watch components, trading of watch components and accessories, as well as consultancy and advisory services.

There was a substantial revenue reduction during the year and revenue declined from CHF 4,519 K to CHF 2,333 K, marking a reduction of 43% compared to the previous year, mainly due to a major decline in the business of trading of watch components by the important Swiss customers. The operating profit of Pylania SA also declined from CHF 510 K recorded in the previous year to CHF 261 K during the year.

The management of Pylania SA remains committed to exploring opportunities that will enhance revenue and expand the scale of the business. Simultaneously, they are closely monitoring costs to improve its financial position and bolster liquidity.

During the year, Pylania has shifted its operations from Grandval, Canton Bern to Grenchan, Canton Solothurn and disposed of the real estate.

During the year, Pylania SA contributed additional capital of CHF 276 K to Estima AG and extended additional loans, including subordinate loans, totaling CHF 454 K to Estima AG.

Estima AG

During the fiscal year 2023-24, Estima AG achieved a revenue of CHF 4,133 K. This represents a growth of 37% compared to the previous 12-month period ending in March 2023, which recorded a revenue of CHF 3,017 K. The operating loss was also reduced drastically from CHF 1,809 K to CHF 553 K. This decrease in loss is majorly due to an increase in revenue, better productivity, controlled and restricted overheads.

Estima AG experienced an improvement in its gross margin from 51% in previous year to 59% during the year, due to favorable product mix and better efficiencies. The other administrative and manpower costs were also controlled as company worked on improving the efficiencies and restricted costs.

Despite the increase in revenue and controlled costs, Estima AG operations continue to be under losses and company remains dedicated on further enhancing the team's capabilities and the unit's capacity to cater to high-end brands by incorporating additional features and improving quality levels and service standards requirements for the new customers. The management remains confident that as the Swiss market conditions improves, the order position will become healthy, and company will be able to increase the revenue and become profitable by adding new products and features in its product range.

Estima AG's strategy and action plan to revive itself, drive growth, and foster development is delayed due to tough market conditions and challenging environment, but the initiatives are in the right direction and management is confident that the forthcoming years will witness substantial revenue growth and improved profitability.

During the year, the equity of company was increased from CHF 80 K to CHF 1,000 K and the shareholders of the company contributed additional capital in the ratio of its equity holding.

Kamla International Holdings SA (KIH)

KIH is a wholly owned subsidiary of KDDL, operating as a special-purpose vehicle for strategic investments in the overseas market. KIH primarily owns 62.5% equity capital of Pylania and 70% equity capital of Estima AG.

KIH provided an additional loan amounting to CHF 220 K to Estima AG during the year. KIH contributed CHF 144 K as equity to Estima.

Kamla Tesio Dials Limited (KTDL)

Kamla Tesio Dials Limited (KTDL) is a 100% subsidiary of KDDL Limited and is primarily engaged in the manufacture of watch dials through job contracts for the parent company. During the year, KTDL reported revenue and profitability of Rs. 141 Lacs and Rs. Lacs respectively. In the previous year, it had reported revenue of Rs. 131 Lacs and profit before tax of Rs. 9 Lacs.

Mahen Distribution Limited

Mahen Distribution Limited (MDL) is a wholly owned subsidiary of KDDL Limited, primarily offers workforce recruitment, engagement, employment, staffing, and managerial services. In the fiscal year 2023-24, the Company generated revenues amounting to Rs. 348 Lacs compared to a revenue of Rs. 278 Lacs in the previous year.

During the year company reported profit before tax of Rs. 67 lacs compared to a pre-tax loss of Rs. 20 Lacs in previous year.

In addition, during the year, MDL has sold 614608 equity shares of Ethos Limited for a total consideration of Rs. 118 Crores, resulting in a gain of Rs. 117 Crores. MDL distributed an interim dividend of Rs. 72 Crore to its shareholders.

MDL has also invested Rs. 948 Lacs in Silvercity Brands AG, as 50% payment for the 19,00,000 equity shares of CHF 1 each at a premium of CHF 0.05 and acquired 31.7% holding of Silvercity Brands AG.

Silvercity Brands AG (SCB)

Silvercity Brands AG became a subsidiary of KDDL Limited during the year and company and made an investment of Rs. 741 Lacs, as 50% payment for acquiring 15,00,000 equity shares of CHF 1 each at a premium of CHF 0.05.

KDDL holds directly 25% of the SCB equity capital and 66.7% thru' other subsidiaries Ethos Ltd (35%) and Mahen Distribution Ltd (31.7%).

CHANGE IN SUBSIDIARIES:

(a) **Silvercity Brands AG:** The Company has acquired 15,00,000 partly paid up equity shares of CHF 1 each and Mahen Distribution Limited, a wholly owned subsidiary of the Company has acquired 19,00,000 party paid up equity shares of CHF 1 each of SILVERCITY BRANDS AG. Consequently, Silvercity Brands AG has become subsidiary of the Company with 91.70% shareholding (directly and indirectly through its wholly owned subsidiary, Mahen Distribution Limited and material subsidiary, Ethos Limited).

(b) **Kamla Tesio Dials Limited (KTDL):** KDDL Limited has acquired 3,00,000 (30%) equity shares of Rs. 10 each of "Kamla Tesio Dials Limited" (KTDL), subsidiary of the Company from "Kamla International Holdings SA", 100% subsidiary of the Company. Pursuant to this acquisition, KDDL Limited now directly holds 99.99% equity shareholding in KTDL, subsidiary of the Company.

DIVIDEND

The Board of Directors at its meeting held on 18th January, 2024 had declared Interim Dividend of Rs. 58 (Rupees Fifty Eight) per equity share (i.e. 580%) of face value of Rs. 10/- each for the financial year 2023-24. The above dividend was paid to the shareholders who were on the register of the members as on 26th January, 2024 being the record date fixed for this purpose.

The Board of Directors has also recommended a dividend of Rs. 4 (Rupees Four only) per equity share of Rs. 10/- (Ten rupees) each fully paid-up of the Company for the financial year 31st March 2024. Dividend is subject to approval of members at the ensuing Annual General Meeting and shall be subject to deduction of income tax at source. The record date for the payment of Final Dividend will be Tuesday, 27th August, 2024. The dividend recommended is in accordance with the Company's Dividend Distribution Policy.

The Dividend Distribution Policy of the Company is available on the Company's website and can be accessed at https://www.kddl.com/wp-content/uploads/PDF/Dividend%20Distribution%20Policy.pdf

TRANSFER TO RESERVES

Your Board do not propose to transfer any amount to general reserve for the period under review.

BUY BACK OF SHARES

The Board of Directors at its meeting held on 9th July 2024 approved the proposal of Buyback of fully paid-up equity shares up to 2,37,837 (Two Lacs Thirty Seven Thousand Eight Hundred Thirty Seven) fully paid-up equity shares of the Company, each having a face value of Rs. 10/- (Rupees ten only) ("Equity Shares"), subject to approval of the shareholders by means of a Special Resolution through postal ballot, representing up to 1.90% of the total number of equity shares in the paid-up equity share capital of the Company, at a price of Rs 3,700 (Rupees Thirty Seven Hundred only) per Equity Share ("Buyback Price") payable in cash for an aggregate amount not exceeding Rs 88,00,00,000 (Rs. Eighty Eight Crores only) ("Buyback Size") being 22.35 % and 12.06% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited standalone and consolidated financial statements of the Company as at 31st March 2024 respectively.

SHARE CAPITAL

During the financial year 2023-24, there was no change in the authorised, issued, subscribed, and paid-up share capital of the Company. Further, the Company has not issued shares with differential voting rights.

DEPOSITS

The details of deposits covered under Chapter V of the Companies Act, 2013 ("the act") is given hereunder:

1.	Deposits Accepted/ renewed during the year	: Rs 19,40,74,000
2.	Deposits outstanding at the end of the year	: Rs. 35,21,02,000
3.	Deposits remained unpaid or unclaimed as at the end of the year	: NIL
4.	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	: NIL
5.	The details of deposits which are not in compliance with the requirements of Chapter	: NIL

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Act, Regulation 33 of the Listing Regulations and applicable Accounting Standards, the Audited Consolidated Financial Statements (CFS) of the Company and all the subsidiaries, form a part of this Annual Report for the financial year 2023-24. In accordance with Section 136 of the Act, the Audited Financial Statements, including the CFS and related information of the Company and the separate financial statements of each of the subsidiary companies, are available on the Company's website at www.kddl.com

Pursuant to Section 129(3) of the Act, a statement containing salient features of the Financial Statements of each of the subsidiaries, associates and JV Companies in the prescribed Form AOC-1 as Annexure I forms part of the Annual Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments for the likely impact affecting financial position between end of the financial year and the date of the report. Also, there has been no change in the nature of business of the Company.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Act, are given in the respective notes to the standalone financial statements of the Company.

RELATED PARTY TRANSACTIONS

All transactions with related parties were reviewed and approved by the Audit Committee and were in accordance with the Policy on dealing with and materiality of related party transactions and the related party framework formulated and adopted by the Company.

All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length basis in terms of provisions of the Act. There are no material significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their relatives which may have a potential conflict with the interest of the Company at large.

The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in Notes to the standalone financial statements of the Company. Disclosures of related party transactions in terms of Regulation 23 of the Listing Regulations submitted to Stock Exchanges for the half year on a consolidated basis, in the specified format -are available on the website of the Company at www.kddl.com.

Form AOC-2 pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in Annexure II to this Report.

BOARD DIVERSITY

The Company recognises and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, race, gender, knowledge and skills including expertise in financial, global business, leadership, technology, mergers & acquisitions, Board service, strategy, sales, marketing and other domains, which will ensure that KDDL retains its competitive advantage. The Board Diversity Policy adopted by the Board forms an integral part of the Nomination & Remuneration Policy and is available on our website, at https://www.kddl.com/wp-content/uploads/PDF/Nomination%20&%20Remuneration.pdf

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) **Appointment/Re-appointment of Non-Executive Directors:** The shareholders of the Company at their 43rd AGM held on 29th September, 2023 confirmed the appointment/re-appointment of the following Directors :

(a) **Mrs. Anuradha Saboo (DIN: 01812641):** Appointment of Mrs. Anuradha Saboo as Non-Executive Director, liable to retire by rotation.

(b) **Reappointment of Mr. Sanjeev Kumar Masown (DIN: 03542390)** who retired by rotation at 43rd Annual General Meeting and offered himself for reappointment

(ii) Pursuant to the recommendations of Nomination and Remuneration Committee and Audit Committee, the Board of Directors of the Company at its meeting held on 14th May 2024 subject to the approval of the Shareholders, reappointed Mr. Sanjeev Kumar Masown as Whole time Director for a period of 3 (three) years w.e.f 31st May 2024 to 30th May 2027. The Company has sought approval from the Shareholders for the said re-appointment and remuneration of Mr. Masown by way of Special Resolution though Postal Ballot Notice separately.

(iii) In accordance with the provisions of Companies Act, 2013, Mr. Jai Vardhan Saboo (DIN: 00025499) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. Necessary resolution for the re-appointment of Mr. Jai Vardhan Saboo forms part of the Notice convening 44th Annual General Meeting (AGM). The Board recommends his re-appointment for the approval of the members. Details, such as brief resumes, nature of expertise in specific functional areas, names of companies in which the above-named directors hold directorships, committee memberships/ chairpersonships, shareholding in your Company, etc. are furnished in the Notice of AGM.

In the opinion of the Board, all the directors, as well as the directors proposed to be re-appointed, possess the requisite qualifications, experience and expertise and hold high standards of integrity.

During the year under review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees received by them for attending the meetings of the Board of Directors and Committee thereof and/or interest on deposits and dividend payment, if any.

(iv) Mr. Anil Khanna and Mrs. Ranjana Agarwal, Independent Directors of the Company ceased to be Directors w.e.f 6th August, 2024, upon completion of their second term of 5 (Five) consecutive years.

Key Managerial Personnel

Mr. Yashovardhan Saboo, Chairman & Managing Director, Mr. Sanjeev Kumar Masown – Whole time Director cum Chief Financial Officer and Mr. Brahm Prakash Kumar Company Secretary, are the Key Managerial Personnel of the Company. During the year under review, there were no changes to the Key Managerial Personnel of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Directors of the Company state that:—

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

(ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(iii) the directors had 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;

(iv) the directors had prepared the annual accounts on a going concern basis; and

(v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

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

DECLARATION FROM DIRECTORS

The Company has, inter alia, received the following declarations from all the Independent Directors confirming that:

- they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedule and Rules issued thereunder, and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and

- they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

None of the Directors of the Company are disqualified for being appointed as Directors as specified under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

BOARD MEETINGS

During the year under review, 7 (seven) meetings of the Board of Directors were held. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act and the Listing Regulations.

BOARD COMMITTEES

As on 31st March 2024, the Board has 5 (five) Committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders Relationship Committee.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board. The composition and terms of reference of all the Committees of the Board of Directors of the Company is in line with the provisions of the Act and the Listing Regulations.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013, Listing Regulations and in accordance with the manner of evaluation, the Board carried out an annual performance evaluation of its own performance, board committees and of the directors individually (including Independent Directors). A separate meeting of the Independent Directors was convened during the financial year under review, which, inter alia, reviewed the performance of the Board as a whole, the non-independent directors and the Chairman of the Company after taking into account the views of Executive and Non-executive Directors, assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties and expressed satisfaction over the same.

NOMINATION AND REMUNERATION POLICY

The Company has in place a policy for remuneration, nomination, selection and appointment of Directors, KMPs and Senior Management, approved by the Board of Directors. The Policy broadly lays down the guiding principles, criteria and the basis for payment of remuneration to the Executive and Non-Executive Directors (by way of sitting fees and commission), KMPs and Senior Management. The criteria for the selection of candidates for the above positions cover various factors and attributes, which are considered by the Nomination & Remuneration Committee and the Board of Directors while selecting candidates. The policy details are explained in Corporate Governance Report which forms part of the Annual Report. The policy can also be accessed at https://www.kddl.com/wp-content/uploads/PDF/KDDL_Remuneration_Policies.pdf

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

All Independent Directors are familiarised with the operations and functioning of the Company at the time of their appointment and on an ongoing basis. The details of the training and familiarisation program are posted on the website of the Company and can be accessed at https://www.kddl.com/familiarisation-programme.

CREDIT RATING

During the year under review, ICRA Limited has upgraded credit rating of the Company as per below details:

Instrument	Rating Action
Fund based facilities	[ICRA]A+ (Stable) ; upgraded from [ICRA]A (Stable)
Non-Fund based facilities	[ICRA]A1+ ; upgraded from [ICRA]A1
Fixed Deposits	[ICRA]A+ ; upgraded from [ICRA]A

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's CSR initiatives and activities towards supporting projects in the areas environmental sustainability, eradicating hunger, poverty and malnutrition, promoting education, enhancing vocational skills and promoting healthcare including preventive healthcare.

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March 2024, in accordance with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") is set out in Annexure III to this Report. The Company's CSR Policy is available on our website, at https://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf.

VIGIL MECHANISM

The Company promotes ethical behaviour in all its business activities and is in line with the best governance practices. The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by the Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations.

The Policy also provides adequate protection to all its stakeholders who report unethical practices and irregularities. Any incidents that are reported are investigated and suitable action is taken in line with the Company's Whistle Blower Policy. No person is denied access to the Audit Committee.

The Whistleblower Policy is available on our website, at https://www.kddl.com/wp-content/uploads/PDF/Whisle%20Blower%20Policy.pdf

RISK MANAGEMENT

The Company recognises that risk is an integral and inevitable part of business and it is fully committed to managing the risks proactively and efficiently. Our success as an organisation depends on our ability to identify and leverage the opportunities while managing the risks. The Company has a disciplined process for continuously assessing risks, in the internal and external environment along with minimising the impact of risks. The Company incorporates the risk mitigation steps in its strategy and operating plans.

The objective of the Risk Management process in the Company is to enable value creation in an uncertain environment, promote good governance, address stakeholder expectations proactively, and improve organisational resilience and sustainable growth.

The Company has in place a Risk Management Policy which articulates the approach to address the uncertainties in its endeavour to achieve its stated and implicit objectives. The Risk Management Committee of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and to ensure that all short-term and long-term implications of key strategic and business risks are identified and addressed by the management.

The Company regularly identifies uncertainties and after assessing them, devises short term and long-term actions to mitigate any risk which could materially impact the Company's long-term plans. Mitigation plans for significant risks are well integrated with business plans and are reviewed on a regular basis by the senior leadership.

The Risk Management Policy is available on our website at https://www.kddl.com/wp-content/uploads/PDF/policies/RCM-19-12-2022.pdf.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the Prevention of Sexual Harassment Act"), the Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace and an Internal Complaints Committee has also been set up to redress any such complaints received.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates. The Company periodically conducts sessions for employees across the organisation to build awareness about the Policy and the provisions of the Prevention of Sexual Harassment Act. During the year under review, the Company has not received any complaint related to sexual harassment and accordingly, no complaint was pending as on 31st March 2024.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In compliance with Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report ("BRSR") on the environmental, social, and governance disclosures, including BRSR Core consisting of Key Performance Indicators as stipulated under the Listing Regulations is attached as Annexure – IV forming part of this report.

CORPORATE GOVERNANCE REPORT

Our corporate governance practices are a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximisang shareholder value legally, ethically and sustainably. At KDDL, the Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on the conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is set out in Annexure-V to the Board's Report.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2023 is available on the website of the Company at https://www.kddl.com .

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as Annexure VI-A.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees is attached to this report as Annexure VI- B.

AUDITORS AND AUDITORS' REPORT

Statutory Auditor

S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No 301003E/E300005) were appointed as Statutory Auditor of the Company at 39th Annual General Meeting (AGM) for a term of five years to hold office from the conclusion of the 39th Annual General Meeting of the Company till the conclusion of the 44th AGM of the Company.

Since, the tenure of Statutory Auditor will come an end on the conclusion of 44th AGM, the Board of Directors pursuant to the recommendations of Audit Committee at its meeting held on 14th August 2024 has recommended the appointment, subject to the approval of Shareholder of the Company, of M/s Walker Chandiok & Co. LLP, Chartered Accountants (ICAI Firm registration no. 001076N/N500013), as Statutory Auditors of the Company for a term of five years to hold office from the conclusion of the 44th Annual General Meeting of the Company till the conclusion of the 49th Annual General Meeting of the Company. The Company is seeking approval of the Shareholders of the Company in ensuing Annual General Meeting and for this purpose, relevant resolution forms part of the Notice convening 44th Annual General Meeting.

The report of the Statutory Auditor forms part of Annual Financial Statements 2023-24 (Standalone and Consolidated). The said report does not contain any qualification, reservation or adverse remark. Information referred to in the Auditors' Reports are self-explanatory and do not call for any further comments.

Cost Auditor

During the year, the Company maintained cost records of its EIGEN unit, pertaining to electricals or electronic products and tools in accordance with the provisions of Section 148 of the act, read with the Companies (Cost Records and Audits) Rules, 2014. M/s Khushwinder Kumar & Co., Cost Accountants (FRN.: 100123) the Cost Auditor of the Company conducted the audit of cost records of Company's EIGEN unit for financial year commencing from 1st April 2023 to 31st March, 2024.

The Board of Directors of the Company, on the recommendations of the Audit Committee has reappointed M/s Khushwinder Kumar & Co. Cost Accountants (FRN: 100123) as the Cost Auditor of the committee to conduct the audit of cost records of Company's EIGEN unit for the financial year 2024-25. As required under the Act read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to Cost Auditors must be placed before the Members at a general meeting for ratification. Hence, a resolution for the same forms part of the notice of the ensuing AGM.

Secretarial Auditor

The Secretarial Audit Report for the financial year 2023-24 given by M/s A. Arora & Co., Practicing Company Secretaries (C.P. No.: 993) is attached herewith as Annexure VII. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditors in their Report. Information referred to in the Secretarial Auditors' Report are self-explanatory and do not call for any further comments.

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s A. Arora & Co., Practicing Company Secretaries (C.P. No.: 993), as the Secretarial Auditor for conducting Secretarial Audit of the Company for the financial year 2024-25.

REPORTING OF FRAUDS BY AUDITORS

None of the Auditors of the Company has identified and reported any fraud as specified under the second proviso of Section 143(12) of the Act.

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

There are no proceedings, initiated by any Financial Creditor or Operational Creditor or by the Company, under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the year 2023-2024.

INTERNAL FINANCIAL CONTROLS (IFC) AND THEIR ADEQUACY

The Company maintains adequate internal control systems, policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies, safeguard of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures in all areas of its operations. The services of internal and external auditors are sought from time to time as well as in-house expertise and resources. The Company believes that it has sound internal control systems commensurate with the nature and size of its business. The Company continuously upgrades these systems in line with best-in-class practices.

These reports and deviations are regularly discussed with the Management Committee members and actions are taken, whenever necessary. The Audit Committee of the Board periodically reviews the adequacy of the internal control systems.

LISTING OF SHARES

The shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited and the listing fee for the year 2024-25 has been duly paid.

PERSONNEL

Your directors place on record, their appreciation for the significant contribution made by all the employees, whose competence, hard work, and co-operation, has enabled the Company to perform well.

TRADE RELATIONS

The Board wishes to place on record its appreciation for the support and co-operation that the Company received from its suppliers, and other associates. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be Company's endeavor to build and nurture strong links based on mutuality, respect and co-operation with each other and consistent with customer interest.

ACKNOWLEDGEMENTS

Your directors take this opportunity to thank all the investors, clients, vendors, banks, regulatory and government authorities, for their continued support.

For and on behalf of the Board of Directors

Yashovardhan Saboo
Chairman and Managing Director
DIN : 00012158

Date :- th August 2024
Place :- Gurugram

ANNEXURE I

Form AOC-1

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

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

Part 'A' : Subsidiaries (Information in respect of each subsidiary to be presented)

Amount(Rs. in Lacs)

Particulars									
Name of the subsidiary	**Pylania S.A.**	**Kamla International Holdings AG**	**Ethos Limited**	**Mahen Distribution Limited**	**Estima AG**	**Cognition Digital LLP**	**Kamla Tesio Dials Limited**	**Silvercity Brands AG**	**Favre Leuba GmBH**
	Subsidiary	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31st March 2024	31-03-2024	31-03-2024
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rs Exchange rate : B/s CHF =91.08 P/L CHF =93.49	Rs Exchange rate : B/s CHF =91.08 P/L CHF =93.49	Rs.	Rs.	Rs Exchange rate : B/s CHF =91.08 P/L CHF =93.49	Rs.	Rs.	Rs Exchange rate : B/s CHF =91.08P/L CHF =93.49	Rs Exchange rate : B/s CHF =91.08P/L CHF =93.49
Share capital	1,050.64	1,944.36	2,448.04	600.57	887.40	42.94	100.00	3,756.55	18.39
Reserves & surplus	1,138.84	162.06	85,748.40	3,315.55	(3731.27)	539.10	(63.89)	(115.75)	(0.17)
Total assets	4,043.72	3,453.40	1,17,037.59	3,946.09	4,126.92	660.25	95.49	3,789.26	18.22
Total Liabilities	1,854.24	1,346.98	28,841.15	29.97	6,970.79	78.21	59.38	148.46	-
Investments	-	427.45	3,011.45	1,726.04	-	-	-	44.13	-
Turnover	2,145.82	-	99,792.59	348.80	3,846.49	447.43	139.92	106.00	-
Profit before taxation	203.06	(34.20)	10,857.95	67.56	(516.79)	159.80	5.89	(97.83)	-
Provision for taxation	49.94	1.74	2,728.74	14.41	1.33	56.05	-	-	-
Profit after taxation	153.12	(35.94)	8,129.21	53.15	(518.12)	103.75	5.89	(97.83)	-
Proposed Dividend	-	-	-	-	-		-	-	-
% of shareholding	100%	100%	53.83%	100.00%	100.00%	99.99%	99.99%	93.83%	93.83%

ANNEXURE I (Contd.)

Part "B": Associates and Joint Ventures (to be updated)

(Amount in Lakhs)

Name of Associates	Pasadena Retail Private Limited
1. Latest audited Balance Sheet Date	31-03-2024
2. Shares of Associate/ Joint Ventures held by the company on the year end	
Number	27,50,000
Amount of Investment in Associates/ Joint Ventures	275.00
Extent of Holdings %	50%
3. Description of how there is significant influence	Associate/Joint Venture Company
4. Reason why the associate/ joint venture is not consolidated	N.A.
5. Networth atributable to Shareholding as per latest audited Balance Sheet	380.96
6. Profit/ Loss for the Year	147.63
i. Considered in Consolidation	73.82
ii. Not Considered in Consolidation	73.81

For and on behalf of the Board of Directors of KDDL Limited

Yashovardhan Saboo
Chairman & Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
F7519

ANNEXURE II

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

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

1. Details of Contracts and arrangements or transactions not at arm's length basis: NA
2. Details of Contracts or arrangements or transactions at arm's length basis. **(To be updated)**

(Amount in Lacs)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:			Amount paid as advances, if any:
1	Estima AG	Business Transactions	Transactions in the normal course of business during 2023-24	i)	Sale of Goods & Services	216.88	NIL
				ii)	Purchase of Raw Material & Components	33.89	
				iii)	Guarantee income	1.80	
				iv)	Purchase of property plant and equipment	8.60	
2.	Ethos Limited	Business Transactions	Transactions in the normal course of business during 2023-24	i)	Events and exhibition	5.60	NIL
				ii)	Reimbursement of expenses paid by the Company	43.68	
				iii)	Reimbursement of expenses received by the Company	5.08	
				iv)	Rent received	42.06	
				v)	Sale of goods and services	5.62	
				vi)	Investment Made	397.87	
3	Dream Digital Technology Limited	Business Transactions	Transactions in the normal course of business during 2023-24	i)	Dividend paid	17.65	NIL
4	Vardhan Properties and Investment Limited	Business Transactions	Transactions in the normal course of business during 2023-24	i)	Rent Received	0.60	NIL
				ii)	Dividend Paid	22.89	
6.	Mahen Distribution Limited	Business Transactions	Transactions in the normal course of business during 2023-24	i)	Rent received	0.60	NIL
				ii)	Contractual labour expenses	345.19	
				iii)	Dividend Received	7206.84	

ANNEXURE II (Contd.)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:		Amount paid as advances, if any:
7.	Mr. R.K. Saboo.	Business Transactions	Transactions in the normal course of business during 2023-24	i) Employee benefit expense	30.00	NIL
				ii) Dividend paid	1200.66	
				iii) Interest Paid	11.40	
8.	Mr. Yashovardhan Saboo	Business Transactions	Transactions in the normal course of business during 2023-24	i) Payment of lease liabilities	15.75	NIL
				ii) Compensation to key managerial personnel	243.60	
				iii) Dividend paid	1360.44	
				iv) Deposits Received	100.00	
				v) Deposits Repaid	100.00	
9.	Ms. Anuradha Saboo.	Business Transactions	Transactions in the normal course of business during 2023-24	i) Payment of lease liabilities	26.25	NIL
				ii) Dividend paid	269.31	
				iii) Interest Paid / accrued	10.77	
				iv) Deposits Received	150.00	
				v) Director Sitting Fees	2.63	
10.	Ms. Usha Saboo	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest Paid/ accrued	12.22	NIL
				ii) Deposits from shareholders accepted/ renew	62.00	
				iii) Deposits from shareholders repaid	40.00	
				iv) Dividend paid	101.94	
11.	Mr. Sanjeev K Masown	Business Transactions	Transactions in the normal course of business during 2023-24	i) Compensation to key managerial personnel	104.76	NIL
				ii) Interest Paid/ accrued	8.35	
				iii) Interest received	3.24	
				iv) Loan given by the Company	80.00	
				v) Deposits repaid	36.82	
				vi) Deposits Received	49.93	

ANNEXURE II (Contd.)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:		Amount paid as advances, if any:
12.	Mrs. Neeraj Masown	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest Paid	9.60	NIL
				ii) Deposits from shareholders accepted/ renew	119.33	
				iii) Deposits from shareholders repaid	60.58	
				iv) Dividend Paid	0.00	
13.	Mr. Lal Chand Masown	Business Transactions	Transactions in the normal course of business during 2023-24	i) Deposits from shareholders accepted/ renew	16.88	NIL
				ii) Deposits from shareholders repaid	15.27	
				iii) Interest Paid	1.50	
				iv) Dividend Paid	0.00	
14.	Mr Anil Khanna	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest Paid/accrued	16.42	NIL
				ii) Director sitting Fee	8.40	
				iii) Dividend Paid	1.03	
				v) Deposits Received	49.40	
				vi) Deposits Repaid	47.16	
15.	Mrs Alka Khanna	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest Paid/ accrued	2.17	NIL
				ii) Dividend Paid	0.12	
16.	Mrs Ranjana Agarwal	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest Paid/accrued	79.49	NIL
				ii) Director sitting Fee	5.43	
				iii) Deposits accepted/renew	210.86	
				iv) Deposits from shareholders repaid	282.79	
17.	Mr Praveen Gupta	Business Transactions	Transactions in the normal course of business during 2023-24	i) Director sitting Fee	6.83	NIL
				ii) Interest paid/ accrued	2.93	
18.	Mr Sanjiv Sachar	Business Transactions	Transactions in the normal course of business during 2023-24	i) Director sitting Fee	4.30	NIL
				ii) Dividend Paid	0.91	
19.	Mr Jai Vardhan Saboo	Business Transactions	Transactions in the normal course of business during 2023-24	Director sitting Fee	1.38	NIL

ANNEXURE II (Contd.)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:		Amount paid as advances, if any:
20.	Cognition Digital LLP	Business Transactions	Transactions in the normal course of business during 2023-24	i) Rent Received	0.60	NIL
21.	Salonee Khanna	Business Transactions	Transactions in the normal course of business during 2023-24	i) Deposits from shareholders accepted/ renew	4.09	NIL
				ii) Interest Paid/accrued	0.58	
				iii) Deposits from shareholders repaid	3.15	
				iv) Dividend Paid	0.01	
22.	Kamla Tesio Dials Limited	Business Transactions	Transactions in the normal course of business during 2023-24	i) Job work charges paid	139.92	NIL
				ii) Rent received	14.64	
				iii) Investment Made	12.94	
23	Mr. Pranav S Saboo	Business Transactions	Transactions in the normal course of business during 2023-24	i) Dividend paid	479.43	NIL
24	Ms. Satvika Saboo	Business Transactions	Transactions in the normal course of business during 2023-24	i) Dividend paid	90.80	NIL
				ii) Management consultancy fees paid	12.50	
25	Pylania SA	Business Transactions	Transactions in the normal course of business during 2023-24	i) Job work charges paid	40.99	NIL
				ii) Purchase of raw material and components	1.59	
				iii) Reimbursement of expenses paid by the Company	103.64	
				iv) Sale of goods and services	1431.46	
				v) Guarantee Commission Received	8.46	
				vi) Reimbursement of expenses received by the Company	28.84	
				vii) Payment of lease liabilities	18.59	
26	Saboo Housing Projects LLP	Business Transactions	Transactions in the normal course of business during 2023-24	i) Payment of lease liabilities	6.00	NIL

ANNEXURE II (Contd.)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:		Amount paid as advances, if any:
29	Kamla International Holdings	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest Income	97.17	NIL
30	Ms. Neelima Tripathi	Business Transactions	Transactions in the normal course of business during 2023-24	i) Director Sitting Fees	2.88	NIL
31	Mr. Nagarajan Subramanian	Business Transactions	Transactions in the normal course of business during 2023-24	i) Director Sitting Fees	3.58	NIL
				ii) Dividend Paid	0.02	
32	Saahil Khanna	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest paid/accrued	0.48	NIL
				ii) Dividend Paid	0.00	
33	ASP SABOO FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest paid/accrued	0.47	NIL
				ii) Deposits Received from Relative of Directors	5.18	
				iii) Deposits Repaid	5.00	
34	RKS JS FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest paid/accrued	12.52	NIL
				ii) Deposits Received from Relative of Directors	191.60	
				iii) Deposits Repaid	45.00	
35	UDS JS FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest paid/accrued	0.45	NIL
				ii) Deposits Received from Relative of Directors	5.00	
				iii) Deposits Repaid	5.00	
36	VEENA KANORIA FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2023-24	i) Interest paid/accrued	20.06	NIL
				ii) Deposits Received from Relative of Directors	240.00	
				iii) Deposit Repaid	140.00	

ANNEXURE II (Contd.)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:			Amount paid as advances, if any:
37	KDDL Ethos Foundation	Business Transactions	Transactions in the normal course of business during 2023-24	i)	CSR Contribution made	18.53	NIL
38	SABOO VENTURES LLP	Business Transactions	Transactions in the normal course of business during 2023-24	i)	Dividend paid	39.55	NIL
39	Silvercity Brands AG	Business Transactions	Transactions in the normal course of business during 2023-24	ii)	Sale of goods and services	1.92	NIL
				iii)	Investment Made	740.94	
40	Brahm Prakash Kumar	Business Transactions	Transactions in the normal course of business during 2023-24	iv)	Compensation to key managerial personnel	42.53	NIL
				v)	Interest Paid / accrued	4.79	
				vi)	Deposit Received	23.21	
				vii)	Deposit Repaid	13.58	
				viii)	Dividend Paid	1.36	
41	Muskan Masown	Business Transactions	Transactions in the normal course of business during 2023-24	i)	Interest Paid / accrued	1.69	NIL
				ii)	Deposits from shareholders accepted	40.72	
				iii)	Deposits Repaid	20.00	
				iv)	Dividend Paid	0.00	

ANNEXURE III

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS.

The Company undertakes and/or supports various activities/projects as notified by the Ministry of Corporate Affairs from time to time. The Company undertakes CSR Activities directly or indirectly through a registered trust or society or any company established under Section 8 of the Act for CSR objectives. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web-link of the same is http://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf

2. THE COMPOSITION OF THE CSR COMMITTEE :

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
Mr. R.K. Saboo	Chairman	1	1
Mr. Yashovardhan Saboo	Member	1	1
Mrs. Ranjana Agarwal	Member	1	1
Mr. Praveen Gupta	Member	1	1

3. WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

Sr. No.	Particulars	Web- link(s)
1	Composition of CSR Committee	https://www.kddl.com/corporate-governance/
2	CSR Policy	https://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf
3	CSR Project	https://www.kddl.com/corporate-responsibility/

4. **Details of Impact Assessment of CSR Projects Carried Out in Pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:–** Not Applicable

5. **Details of the Amount Available for Set Off In Pursuance of Sub-Rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Amount Required for Set Off for the Financial Year, if any: –** Rs. 15.52 lacs

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5) :

Sr. No	Particulars	Net Profit (Rs. in lacs)
1	For financial year 2022-32	3,949.85
2	For financial year 2021-22	2,654.18
3	For financial year 2020-21	531.21
4	**Total (1+2+3)**	**7,135.24**
5	**Average Net Profits (Rs. 7,135.24/3)**	**2,378.41**
6	**Prescribed CSR expenditure (being 2% of the average net profits as stated in point 5 above)**	**47.57**

ANNEXURE III (Contd.)

7. a. **Two percent of average net profit of the Company as per Section 135(5):** Rs. 47.57 lacs

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

Sr. No.	Particulars	Amount (Rs. in lacs)
1	Extra Spent during F.Y 2022-23	20.86
2	CSR Liability for F.Y 2023-24	47.57
3	Balance to be spent during F. Y 2023-24 (2-1)	26.71
4	Actual CSR Expenditure during F.Y 2023-24	42.23
5	Extra Spent during F.Y 2022-23 (4-3)	15.52

c. **Amount required to be set-off for the financial year, if any:** Rs. 20.86 lacs

d. **Total CSR obligation for the financial year:** Rs. 26.71 lacs

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the project	Item from the list of Activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (in Rs. lacs)	Amount spent in the current financial Year (in Rs. lacs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs lakhs)	Mode of Implementation Direct (Yes /No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR registration
1.	Aftercare and Livelihood Program	ii	No	Throughout India		Ongoing	10.00	10.00	Nil	No	Catalysts for Social Action (CSA)	CSR00002803
2	Cauvery Calling' Project, as a part of Million Tree Project	iv	No	Throughout India		Ongoing	1.30	1.30	Nil	No	Isha Outreach	CSR00009670
3	Says Tree	iv	No	Andhra Pradesh and Karnataka		Ongoing	9.00	9.00	Nil	No	Says Tree	CSR00000702
4	Sanklap Taru	iv	No	Maharashtra		Ongoing	8.25	8.25	Nil	No	Sanklap Taru	CSR00000590
5	Medical help for the poor and needy patients	i	Yes	Chandigarh		Ongoing	5.00	5.00	Nil	No	Heart Service Society of Inner Wheel Club	CSR00027173
6	Promoting Education and Vocational Training	ii	Yes	Chandigarh			1.00	1.00	Nil	No	Youth Technical Training Society	CSR00039889
7	Organ Donation	i	No	Throughout India			2.00	2.00	Nil	No	Mohan Foundation	CSR00001259

ANNEXURE III (Contd.)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the project	Item from the list of Activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (in Rs. lacs)	Amount spent in the current financial Year (in Rs. lacs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs lakhs)	Mode of Implementation Direct (Yes /No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR registration
8	Lavatory Project	i	Yes	Chandigarh			0.53	0.53	Nil	No	Chandigarh Rotary Club Service Trust	CSR00035150
	TOTAL						**37.08**	**37.08**	**Nil**			

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)s	Location of the project		Amount spent for the project (Rs.in lakhs)	Mode of implementation – Direct (Yes/ No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration
1	Medical Help	i	Yes	Jhabua (Madhya Pradesh)		5.00	No	Rotary YNR Charitable Society	CSR00035150
2	Animanl Adaption	iv	Yes	Bangalore (Karnataka)		0.15	No	Zoo Authority Karnataka	NA
	TOTAL					**5.15**			

(d) Amount spent in administrative overheads: Nil

(e) Amount spent on impact assessment, if applicable: Not applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e): Rs. 42.23 lacs

(g) Details of excess amount for set-off are as follows: Rs. 15.52 lacs

9. DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS: Nil

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR: Not Applicable

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. During the year 2023-24, the Company has spent more than 2% of the average net profit as per Section 135(5).

R.K Saboo
Chairperson of CSR Committee

Yashovardhan Saboo
Chairman & Manging Director
DIN : 00012158

Place: Chandigarh
Date : 14th May 2024

ANNEXURE IV
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

(Business Responsibility and Sustainability Reporting (BRSR) is the practice of companies disclosing information about their environmental, social, and governance (ESG) performance. It goes beyond financial reporting to provide stakeholders with a comprehensive view of a company's non-financial impacts and contributions to sustainable development. BRSR covers topics such as environmental impact, social responsibility, and governance practices, aiming to promote transparency and accountability.)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	FY 2023-2024
1	Corporate Identity Number (CIN) of the Listed Entity	L33302HP1981PLC008123
2	Name of the Listed Entity	KDDL Limited
3	Year of incorporation	08/01/1981
4	Registered office address	Plot No.3, Sector III, Parwanoo, Himachal Pradesh173220
5	Corporate address	Kamla Centre, SCO 88-89, Sector 8C, Madhya Marg, Chandigarh- 160009
6	E-mail	investor.complaints@kddl.com
7	Telephone	0172- 2548223/24
8	Website	www.kddl.com
9	Financial year for which reporting is being done	2023-24
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and NSE Limited
11	Paid-up Capital	12,53,71,170
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Brahm Prakash Kumar- Company Secretary Email ID: investor.complaints@kddl.com Telephone No.: 0172- 2548223/24
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis
14	Name of assurance provider	NA
15	Type of assurance obtained	NA

II. Products/services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Watch Components Group	Watch Dials & watch hands	68%
2	Precision Engineering	Precision engineering components and press tools.	26%
3	Packaging Business	Manufacturing Of Packaging Boxes for watches, jewellery, lifestyle & writing instruments	4%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1	Watch Dials & watch hands	26521	68%
2	Components & Press tools	26101	26%
3	Packaging Products	16231	4%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	9	1	10
International	1	2	3

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	14
International (No. of Countries)	23

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

71%

c. A brief on types of customers

KDDL is a prominent Indian company specialising in the production of watch components, precision stamped components, and progressive tools for various engineering applications. The Company manufactures watch dials, hands, bracelets and indexes for international watch brands. Its Precision Engineering division serves the aerospace, electronics, automotive, ancillary, and consumer durables sectors. Additionally, KDDL's packaging business supports the watch, jewellery, and writing instrument industries.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	%(C / A)
	EMPLOYEES					
1.	Permanent (D)	537	513	95.5%	24	4.5%
2.	Other than Permanent (E)	4	2	50.0%	2	50.0%
3.	**Total employees (D + E)**	541	515	95.2%	26	4.8%
	WORKERS					
4.	Permanent (F)	822	676	82.2%	146	17.8%
5.	Other than Permanent (G)	919	539	58.7%	380	41.3%
6.	**Total workers (F + G)**	1741	1215	69.8%	526	30.2%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	%(C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1	Permanent (D)	1	1	100%	0	0%
2	Other than Permanent (E)	0	0	0%	0	0%
3	**Total differently abled employees (D + E)**	1	1	100%	0	0%
	DIFFERENTLY ABLED WORKERS					
4	Permanent (F)	3	2	66.7%	1	33.3%
5	Other than Permanent (E)	4	3	75.0%	1	25.0%
6	**Total differently abled workers (F + G)**	7	5	71.4%	2	28.6%

21. Participation/Inclusion/Representation of women

Particular	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	3	30%
Key Management Personnel	3*	0	0%

*Out of three KMPs, two are Board Members.

22. Turnover rate for permanent employees and workers

Particular	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10.3%	22.2%	10.8%	12.5%	5.6%	12.3%	14.3%	30.3%	14.9%
Permanent Workers	20.2%	20.6%	20.3%	10.2%	7.0%	8.8%	7.5%	7.4%	7.4%

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

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

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
1	Pylania S.A.	Subsidiary	100.0%	No
2	Kamla International Holdings AG	Subsidiary	100.0%	No
3	Ethos Limited	Subsidiary	53.8%	Yes*
4	Mahen Distribution Limited	Subsidiary	100.0%	No
5	Cognition Digital LLP	Subsidiary	99.9%	No
6	Kamla Tesio Dials Limited	Subsidiary	99.9%	No
7	Pasadena Retail Private Limited	Associate	50.0%	No
8	Estima AG	Subsidiary	100.0%	No
9	Silvercity Brands AG	Subsidiary	93.8%	No
10	Favre Leuba GMBH	Subsidiary	93.8%	No
11	RF Brands Private Limited	Subsidiary	53.8%	No

*Since Ethos Limited is a listed entity, it follows its own BRSR initiatives.

VI. CSR Details

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

Yes

a. Turnover (in Rs.)	3,50,62,51,370
b. Net worth (in Rs.)	3,97,07,95,037

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	Nil	0	0	Nil
Investors (other than shareholders)	Yes	4	0	Nil	0	0	Nil
Shareholders	Yes	0	0	Nil	0	0	Nil
Employees and workers	Yes	0	0	Nil	0	0	Nil
Customers	Yes	0	0	Nil	0	0	Nil
Value Chain Partners	Yes	0	0	Nil	0	0	Nil
Other (please specify)							

*Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)

Stakeholder group from whom complaint is received	Web Link for Grievance Policy
Communities	https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Mannual.pdf
Investors (other than shareholders)	https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Mannual.pdf
Shareholders	https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Mannual.pdf
Employees and workers	https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Mannual.pdf
Customers	https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Mannual.pdf
Value Chain Partners	https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Mannual.pdf
Other (please specify)	

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

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Emissions & Energy management	R	Emissions and energy management are critical for manufacturing companies. By effectively managing emissions and energy usage, companies can reduce their environmental footprint, comply with regulations, improve operational efficiency, minimize costs, and demonstrate a commitment to sustainability. Proactive management of emissions and energy contributes to a greener and more responsible manufacturing industry.	Implement policies and procedures to monitor energy and emission performance, identifying critical areas for improvement. Promote the use of renewable energy resources, such as solar and wind, to reduce and offset GHG emissions. Implement emission monitoring systems to track key high emission factors.	Negative
2.	Water Management	R	Water management is essential for manufacturers to ensure responsible use of water resources, reduce environmental impact, and mitigate operational risks. Efficient water management practices conserve water, minimize water-related costs, comply with regulations, protect ecosystems, and enhance sustainability, demonstrating corporate responsibility and long-term viability.	KDDL will maintain measures for effective water management to reduce freshwater consumption. Effluent treatment plants have been installed to treat and reuse wastewater for gardening, industrial applications, and production processes. Water usage assessments and monitoring will be conducted to track high usage and identify reduction methods. Currently, Zero Liquid Discharge (ZLD) has been implemented in three plants of KDDL.	Negative
3.	Waste Management	R	Effective waste management is crucial for a manufacturing company as it minimizes environmental impact, ensures regulatory compliance, reduces operational costs, and enhances sustainability. Proper waste management practices promote resource efficiency, mitigate potential health and environmental risks, and demonstrate corporate responsibility.	Ensure procedures and policies are in place for handling, storing, and disposing of waste. KDDL responsibly manages waste through appropriate storage and safe disposal via third-party vendors. Additionally, implement efficient methods to reuse or reduce waste, leading to lower consumption of fresh raw materials.	Negative
4.	Training and skill improvement	O	Training and skill improvement are crucial for individuals and organizations as they enhance performance, productivity, and adaptability. Continuous learning allows employees to gain new knowledge, refine existing skills, and stay current with industry advancements, leading to improved job satisfaction, career growth, and organizational success in a rapidly changing business environment.	NA	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Customer Satisfaction	R	Customer satisfaction is crucial for a watch component and precision engineering company as it directly affects reputation, customer loyalty, and business growth. Satisfied customers contribute to positive word-of-mouth marketing and drive repeat purchases, ensuring a strong market presence and continued success in a competitive industry.	Customers are essential to KDDL's long-term sustainable growth. KDDL ensures product quality, continuous development of new products, on-time delivery, and competitive pricing to meet customer expectations and demands. Effective two-way communication channels are established to increase customer engagement, brand loyalty, and transparency. A mechanism is in place to receive and incorporate customer feedback to enhance product quality offerings.	Negative
6.	Occupational Health and Safety	R	Occupational health and safety are critical for a manufacturing company as they protect employees from workplace hazards, reduce the risk of accidents and injuries, improve productivity, and ensure legal compliance. Prioritizing health and safety foster a positive work environment and safeguards the company's reputation.	Establish clear policies and procedures for thorough assessments of potential risks and hazards at KDDL premises, and implement effective measures to mitigate any risks. KDDL conducts routine health and safety monitoring to ensure no gaps in occupational health and hazard management. Adequate Personal Protection Equipment is provided to ensure safety from unforeseen hazards. Occupational health clinic services are available for immediate treatments. Safety training and awareness programs are key to promoting safety practices and empowering employees and workers to report any gaps.	Negative
7.	Innovation Management and resource efficiency	O	Innovation enhances product and service offerings to better align with customer needs, thereby boosting customer satisfaction. It also fosters the development of new products and services, creating additional revenue opportunities for the company. Companies that prioritize innovation gain a competitive advantage and increase their market share. Operational efficiency focuses on achieving more with fewer resources, such as reducing energy consumption, increasing yield, and optimizing equipment utilization, ultimately maximizing overall effectiveness.	NA	Positive

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Supply Chain Management	O	Supply chain management is critical for manufacturers as it ensures the smooth flow of materials, reduces costs, improves operational efficiency, and enhances customer satisfaction. Effective supply chain management enables timely production, minimizes inventory risks, optimizes logistics, fosters supplier relationships, and allows companies to meet market demand efficiently and effectively.	NA	Positive
9.	Corporate Governance	R	Corporate governance is essential for any company as it ensures transparency, accountability, and ethical decision-making. It establishes a framework that guides management behavior, protects shareholder interests, promotes long-term sustainability, and enhances investor confidence. Effective corporate governance is fundamental for organisational success and stakeholder trust.	KDDL has established policies and practices to ensure strong corporate governance. We are committed to maintaining and improving our systems and practices by upholding ethical behavior, transparency, clear responsibilities, a risk management framework, and accountability in all corporate decision-making processes. We prioritise regular monitoring, independent audits, and board oversight to sustainably manage our operations and mitigate potential risks.	Negative

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.

Sr. No	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/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	https://www.kddl.com/codes-and-policies/								
2	Whether the entity has translated the policy into procedures. (Yes / No/ NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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.	SEDEX	AS 9100D, ISO 9001:2015, ISO 45001:2018, and IATF 16949	SEDEX	-	-	ISO 14001:2015 SEDEX	-	-	-

5. **Specific commitments, goals and targets set by the entity with defined timelines, if any.**

As a leading watch component manufacturing and precision engineering company, KDDL is committed to sustainability and environmental stewardship. Our initiatives include the Million Tree Project, Medical Mission in Jhabua, Madhya Pradesh, Animal Adoption at Bennerghatta Zoo in Bengaluru, Lavatory Project Maintenance at the Cremation Ground in Chandigarh, Medical Help for Poor and Needy Patients in Chandigarh, Promoting Educational and Vocational Training, After Care and Livelihood Programs, and Organ Donation. These projects aim to achieve environmental and social goals, including support for children's health, education, basic necessities, and livelihood programmes through Catalysts for Social Action (CSA). Our commitment to sustainability is further demonstrated through The Million-Tree Project, where KDDL, along with its associate companies and brands, has pledged to collaborate with responsible agencies to plant and foster one Million trees in depleted regions of India by 2030.

6. **Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**

KDDL is making significant progress in achieving our social and environmental objectives. Our actions have resulted in a notable impact on the environment and have contributed to socio-economic goals. Under The Million-Tree Project, we have planted 77,892 saplings to date.

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)**

KDDL Limited, a leading Indian manufacturer of high-quality watch components, precision stamped components, and progressive tools, is deeply committed to ESG practices, striving for sustainable long-term value. Despite challenges like responsible material sourcing and managing social and environmental impacts across the supply chain, KDDL promotes environmental sustainability, social causes, and good governance. The Company adheres to the highest governance standards with an independent board, ethical policies, a whistle-blower mechanism, and more. KDDL fosters inclusivity, teamwork, and growth through regular feedback and initiatives enhancing employee engagement and well-being. Key sustainability efforts include pledging to plant and nurture one Million trees in India over the next decade, collaborating with the Isha Foundation on the Cauvery Calling project, promoting education and skill development for slum children, and partnering with the Mohan Foundation to save lives through organ donations. KDDL's unwavering dedication reflects its deep sense of responsibility and commitment to positively impacting society and the environment.

8. **Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**

The highest authority responsible is Chairman & Managing Director, Mr. Yashovardhan Saboo. Along with CMD, the Senior Management is responsible for the oversight and implementation of Business Responsibility policies.

9. **Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA)**

No

If Yes please provide details

NA

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								
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
a.	Performance against above policies and follow up action	Director								
b.	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Director								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

	Subject for Review	Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)								
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
a.	Performance against above policies and follow up action	Annually								
c.	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Quarterly								

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.

Yes	Yes	Yes	No	No	Yes	No	No	No
Bureau Veritas	TUV SUD South Asia Private Limited and Bureau Veritas	Bureau Veritas			TUV SUD South Asia Private Limited and Bureau Veritas			

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)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practices and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

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	Presentations on Business plans, Strategies, Financial Budgets and Key focus areas of each business stream, Internal Controls.	100%
Key Managerial Personnel	4	Regulatory updates and Risk Management	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	229	At KDDL, employee training and skill development are of paramount importance and a top priority. Recognising the specialised and skilled workforce requirements inherent in our business operations, we are committed to providing comprehensive training programs to ensure employee satisfaction and enhance their performance capabilities. The following topics and trainings were covered: • ESG Workshop • Kaizen Trainings • Safety Trainings • Company Policy Trainings • Technical Trainings, including ISO, Chemical Safety, Safety Standards, Waste Management, Usage of PPEs, 5-S, Environmental Laws, etc. • Awareness Programs, such as POSH, First Aid Trainings, IT Security Awareness, Onsite Emergency Plans, Incident Reporting, EHS Policy Awareness, Technical Awareness, Electrical Safety, etc.	96%
Workers	220	At KDDL, the emphasis on worker training is crucial for enhancing technical skills, enabling employees to adapt to evolving industry requirements and maintain a competitive edge in technological advancements. Additionally, training promotes a culture of continuous learning, which boosts employee morale, job satisfaction, and overall engagement. This, in turn, fosters a motivated workforce and improves retention rates. The following training and awareness programs were implemented: • Fire Safety • Kaizen • ISO 45001 & 14001 Training • Machine Safety • Chemical Awareness • Electrical Safety • First Aid and Onsite Emergency Plans • EHS Awareness • Machine-Specific Technical Trainings • 5-S Training • Company Policy Trainings	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

Monetary

Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In Rs.) (For Monetory Cases only)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine Settlement Compounding fee	NIL				

Non-Monetary				
Particular	**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.

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

4. Does the entity have anti-corruption or anti-bribery policy? (Yes/ No) If Yes, provide details in brief

Yes

KDDL's Code of Conduct emphasizes business integrity, ethical conduct, and regulatory compliance. It ensures adherence to both legal obligations and the Company's own ethical standards. The Company strictly prohibits bribery in all business transactions and has measures to prevent and detect improper payments. Additionally, the Company complies with anti-money laundering and counter-terrorist financing laws, promptly reporting any unaccounted cash or suspicious transactions.

If Yes, Provide a web link to the policy, if available -Web link anti corruption or anti bribery policy is place

https://www.kddl.com/wp-content/uploads/PDF/corporate/KDDL_Model_Code_of_Conduct.pdf

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

Particular	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

Case Details	FY 2023-24		FY 2022-23	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

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.

Not applicable

8. Number of days of accounts payables in the following format:

Particular	FY 2023-24	FY 2022-23
Number of days of accounts payables	87	104

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		FY 2023-24	FY 2022-23
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	0%	0%
	b.	Number of trading houses where purchases are made from	0	0
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	0%	0%
	b.	Number of dealers / distributors to whom sales are made	0	0
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0%	0%
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	0.4%	1.9%
	b.	Sales (Sales to related parties / Total Sales)	4.72%	10.9%
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	85.0%	90.1%
	d.	Investments	8.0%	5.7%

Leadership Indicators

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)Yes

If Yes, provide details of the same.

In compliance with SEBI LODR (Listing Obligations and Disclosure Requirement), the Company has established a Code of Conduct policy and a Related Party Transactions policy. These policies outline the mechanisms and processes to manage conflicts of interest involving Board members.

https://www.kddl.com/codes-and-policies/

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

(This principle highlights the importance of sustainable and safe production practices. Companies should strive to minimise the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

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.

Sr. No.	Particular	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
1	R&D	100%	0%	Research conducted on compostable packaging to eliminate plastic packaging waste
2	Capex	3.32%	1.98%	The Company has implemented several measures to enhance environmental sustainability and workplace safety. These include the installation of RECD to reduce emissions from diesel generators, plating agitators, solar-powered street lights, and the replacement of CFL bulbs with LED lights to reduce energy consumption. Additionally, scrubbers, exhaust systems, and stripping units with lip exhausts have been installed to reduce air pollution. To address water consumption, atmospheric water generators and water stream segregation systems have been installed to improve ETP treatment efficiency. Furthermore, auto riveting machines, hand pallet trolleys, storage boxes for cyanide, and the refurbishment of old press machines have been carried out to eliminate workplace hazards and ensure safe working conditions.

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

Yes

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

41%

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)	The Company follows processes in line with EPR, demonstrating its commitment to reducing its environmental footprint and adhering to sustainable practices throughout its operations.
(b)	E-waste	NA
(c)	Hazardous waste	NA
(d)	other waste	NA

4. a Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No)

Yes*

b If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

Yes

c If not, provide steps taken to address the same

NA

Leadership Indicators

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

Sr. No.	Particular	FY 2023-2024			FY 2022-2023		
		Re-Used (In MT)	Recycled (In MT)	Safely Disposed (In MT)	Re-Used (In MT)	Recycled (In MT)	Safely Disposed (In MT)
1	Plastics (including packaging)	-	7.5	-	-	-	-
2	E waste	-	-	-	-	-	-
3	Hazardous waste	-	-	-	-	-	-
4	Other waste	-	-	-	-	-	-

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

(This principle emphasizes the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

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	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	513	513	100%	513	100%	-	-	513	100%	513	100%
Female	24	24	100%	24	100%	24	100%	-	-	24	100%
Total	537	537	100%	537	100%	24	100%	513	100%	537	100%
Other than Permanent employees											
Male	2	2	100%	2	100%	-	-	2	100%	2	100%
Female	2	2	100%	2	100%	2	100%	-	-	2	100%
Total	4	4	100%	4	100%	2	100%	2	100%	4	100%

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	676	676	100%	676	100%	-	-	676	100%	676	100%
Female	146	146	100%	146	100%	146	100%	-	-	146	100%
Total	822	822	100%	822	100%	146	100%	676	100%	822	100%
Other than Permanent workers											
Male	539	539	100%	539	100%	-	-	539	100%	539	100%
Female	380	380	100%	380	100%	380	100%	-	-	380	100%
Total	919	919	100%	919	100%	380	100%	539	100%	919	100%

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

Particular	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the Company	1.90%	1.87%

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

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	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

KDDL is committed to an inclusive and non-discriminatory work environment, where no form of discrimination, including disability, is tolerated. We provide equal opportunities to all individuals and are developing facilities to support persons with disabilities. We ensure necessary support is provided to enable them to carry out their daily routines with ease and dignity.

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

In line with KDDL's Model Code of Conduct, we are committed to fair and equitable treatment for all individuals. The Company strictly prohibits any form of discrimination based on race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, or disability.

https://www.kddl.com/wp-content/uploads/PDF/corporate/KDDL_Model_Code_of_Conduct.pdf

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	NA	NA	NA	NA
Female	NA	NA	100%	NA
Total	**NA**	**NA**	**100%**	**NA**

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.

Category	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes	Both permanent and temporary employees have the opportunity to address their grievances through the HR & Admin department of their respective unit. This enables employees to voice their concerns and seek resolution through appropriate organisational channels. Additional mechanisms include: • Employee Suggestion Boxes • Whistle Blower Policy • Anonymous Complaint Processes • Town Hall Meetings • Monthly Assembly Meetings • Direct Communication with HR (written or verbal) • Open House Feedback/Review Sessions for all employees Management is dedicated to treating all grievances with seriousness and taking prompt, appropriate actions. Our grievance mechanism is designed to complement, not replace, other channels defined by law or collective agreements. The objective is to foster a safe and healthy work culture and enable the resolution of all types of grievances received. By adopting the aforementioned redressal mechanisms, we aim to address concerns more efficiently and effectively. Multiple communication channels ensure that employees have a comfortable avenue to express their grievances. This approach encourages a transparent and open environment where everyone's concerns are heard and addressed promptly.

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

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/c)
Total Permanent employees	537	0	0%	499	0	0%
Male	513	0	0%	479	0	0%
Female	24	0	0%	20	0	0%
Total Permanent Workers	822	293	35.7%	747	176	23.6%
Male	676	270	39.9%	630	171	27.1%
Female	146	23	15.7%	117	5	4.3%

8. Details of training given to employees and workers:

Category	FY 2023-24*					FY 2022-23				
	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	513	304	59.3%	55	10.72%	544	299	55.0%	144	26.5%
Female	24	11	45.8%	7	29.17%	25	12	48.0%	9	36.0%
Total	537	315	58.7%	62	11.55%	569	311	54.7%	153	26.9%
					Workers					
Male	676	389	57.5%	150	22.2%	994	551	55.4%	131	13.1%
Female	146	77	52.7%	29	19.9%	416	109	26.2%	45	10.8%
Total	822	466	56.7%	179	21.8%	1410	660	46.8%	176	12.5%

*For FY 2023-24, only permanent employees and permanent workers have been included in the calculation.

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	513	513	100%	479	479	100%
Female	24	24	100%	20	20	100%
Total	537	537	100%	499	499	100%
Workers						
Male	676	637	94.2%	630	630	100%
Female	146	115	78.7%	117	117	100%
Total	822	752	91.4%	747	747	100%

Only permanent employees and permanent workers have been included in the calculation.

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 systems?

Yes

At KDDL, we place a high priority on employee health and safety. Our facilities are certified with SEDEX and ISO 45001, which include Occupational Health and Safety (OHS) practices. We regard our employees as essential stakeholders and ensure compliance with these standards across all our plants and 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?**

To ensure the identification and mitigation of safety hazards and risks, we adhere to stringent practices aligned with the ISO 45001:2018 standard, applicable to most of our facilities. This internationally recognised standard provides a robust framework for managing occupational health and safety effectively. Additionally, we utilise Hazard Identification and Risk Assessment (HIRA) tools to systematically identify potential hazards, assess associated risks, and implement appropriate control measures. By following these standardised procedures, we prioritise the safety and well-being of our employees, fostering a secure work environment and minimising the potential for accidents or injuries.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks? (Yes/ No)**

Yes

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

Yes

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

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	0	1
	Workers	2.23	0
Total recordable work-related injuries	Employees	0	2
	Workers	3	3
No. of fatalities	Employees	0	0
	Workers	0	0
High-consequence work-related injury or ill health (excluding fatalities)	Employees	0	2
	Workers	0	0

*Including in the contract workforce

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

KDDL employs a comprehensive approach to health and safety assessments, incorporating several key measures. These include conducting safety audits and training sessions, monitoring incident reports, providing Personal Protective Equipment (PPE) kits, performing Hazard Identification and Risk Assessment (HIRA), and implementing engineering and administrative controls. Additionally, we maintain first aid kits, install safety switches on machinery, conduct environmental monitoring, and designate dedicated storage areas for hazardous materials. These initiatives underscore our commitment to prioritising safety and ensuring a secure work environment.

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

Particulars	FY 2023-24			FY 2022-23		
	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	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14. Assessment for the year:

Particulars	% 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, as no working conditions or health and safety-related complaints or concerns have been registered.

At KDDL, we prioritize safety in every aspect of our operations. In the event of any incident, we ensure the implementation of safety measures, including the submission of incident and near-miss reports. These reports are the tools for identifying potential hazards and taking proactive steps to prevent accidents. Should an incident occur, we conduct thorough investigations to determine root causes and implement corrective actions to prevent future occurrences. Additionally, regular safety audits are conducted to assess compliance with safety protocols and identify areas for improvement. To foster a culture of safety, we provide comprehensive safety training to our employees, equipping them with the knowledge and skills to mitigate risks and maintain a safe working environment.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

Essential Indicators

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

Senior management, in conjunction with the board of directors and various departments, has completed a stakeholder identification exercise. This initiative aimed to identify individuals and groups that may be impacted by or have an influence on the Company. The stakeholders identified encompass both internal and external entities, including employees, investors, government authorities, vendors, customers, dealers, financial institutions, and the community at large.

The Company extends its sincere appreciation to all stakeholders for their support in achieving its strategic objectives and targets. The Company places significant value on the input and feedback from stakeholders and is dedicated to fostering strong relationships with them. Through ongoing communication and dialogue, the Company strives to address the needs and expectations of all stakeholders.

Identified Stakeholders:

1. Shareholders and Lenders
2. Employees and Workers
3. Suppliers and Vendors
4. Local Community
5. Government and Regulators
6. Customers

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	Channels of communication (Email, SMS, Newspaper, Pamphlets,Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders, Lenders	No	• Email • Investor meetings/calls • General meetings • Website	On a regular basis	The Company monitors and follows up on its performance, ensuring compliance with quarterly requirements and effectively addressing day-to-day operations.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication (Email, SMS, Newspaper, Pamphlets,Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and workers	No	• Email • Townhall meetings • Physical interaction • Monthly assembly meeting • Award functions • Recognition programmes • Engagement activities • Quarterly review meetings	On a regular basis	To promote alignment, motivation, and growth within the organisation, the Company facilitates effective communication regarding work targets, conducts motivation sessions, holds review meetings, and gains a deeper understanding of employees' professional goals, fostering a supportive and goal-oriented work environment.
Suppliers and Vendors	No	• Email • Physical meetings • Telephonic discussions	On a regular basis	The Company ensures effective supply chain management by building strong relationships and collaboration with suppliers and vendors, optimising the flow of goods and services, and leading to improved operational efficiency and customer satisfaction.
Local community	No	Interaction through a Company representative	On a regular basis	By gaining a understanding of community needs and actively seeking solutions, the Company fosters a close connection and collaboration with the community, contributing to its well-being and sustainable development.
Government and regulators	No	Official correspondence	On a regular basis	The Company ensures compliance with government regulations by adhering to circulars and seeking clarification when needed. Building a strong relationship with government bodies facilitates smooth and transparent operations while upholding legal and regulatory requirements.
Customers	No	• Email • Roadshows • Local and international trade fairs • Customer visits • Physical meetings • Telephonic discussions • Social Media	On a regular basis	The Company understands customer requirements, stays informed about market trends, assesses product demand, and addresses any concerns related to quality and delivery compliance. By maintaining close communication with customers, the Company enhances its products and services to meet customer expectations, ensuring satisfaction and loyalty.

PRINCIPLE 5 Businesses should respect and promote human rights.

(This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.)

Essential Indicators

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D)	% (D / C)
Employees						
Permanent	537	537	100%	499	479	96.0%
Other than permanent	4	4	100%	70	0	0.0%
Total Employees	**541**	**541**	**100%**	**569**	**479**	**84.2%**
Workers						
Permanent	822	822	100%	747	40	5.4%
Other than permanent	919	919	100%	663	8	1.2%
Total Workers	**1,741**	**1,741**	**100%**	**1410**	**48**	**3.4%**

2. **Details of minimum wages paid to employees and workers**

Category	FY 2023-24					FY 2022-23				
	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										
Male	513	0	0%	513	100%	479	0	0%	479	100%
Female	24	0	0%	24	100%	20	0	0%	20	100%
Total	537	0	0%	537	100%	499	0	0%	499	100%
Other than Permanent										
Male	2	0	0%	2	100%	65	65	100%	0	0%
Female	2	0	0%	2	100%	5	5	100%	0	0%
Total	4	0	0%	4	100%	70	70	100%	0	0%
Workers										
Permanent										
Male	676	77	11.4%	599	88.6%	630	100	15.9%	530	84.1%
Female	146	39	26.7%	107	73.3%	117	31	26.5%	86	73.5%
Total	822	116	14.1%	706	85.9%	747	131	17.6%	614	82.4%
Other than Permanent										
Male	539	515	95.6%	24	4.4%	364	348	95.6%	16	4.4%
Female	380	377	99.2%	3	0.8%	299	298	99.7%	1	0.3%
Total	919	892	97.1%	27	2.9%	663	646	97.4%	17	2.6%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

3. Details of remuneration/salary/wages

a. Median remuneration / wages: a. Median remuneration / wages:

Particular	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	2	4,36,91,155#	0	0
Key Managerial Personnel	3	2,63,85,629	0	0
Employees other than BoD and KMP	503	3,49,580	21	3,46,755
Workers	676	3,46,759	146	3,31,110

*Only Executive BODs have been considered for median remuneration calculation.

#Median remuneration is not possible to calculate for two directors hence this is the mean remuneration.

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

Particular	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	6.4%	6.8%

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

The management team, in collaboration with the Human Resources department for each unit, is responsible for addressing any human rights impacts or issues arising from or contributed to by the business.

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

KDDL has mechanisms to address human rights issues, including a whistleblower policy and a Prevention of Sexual Harassment policy. These policies allow employees to report violations or concerns related to human rights, ensuring confidentiality and protection against adverse consequences. Through these policies, KDDL shows its commitment to a safe and inclusive work environment that respects human rights and promotes integrity and accountability.

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

Particulars	FY 2023-24			FY 2022-23		
	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	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour/Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

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

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0%	0%
Complaints on POSH upheld	0	0

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

KDDL upholds integrity and ethical values, implementing mechanisms to protect complainants in cases of discrimination and harassment. The process is strictly confidential, with complaints kept within a limited circle of stakeholders. The action plan is devised with minimal disclosure to maintain confidentiality. The whistle-blower policy defines strict confidential procedures to prevent any adverse consequences to the complainant.

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

Yes

10. Assessments for the year:

Name of the Assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	

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

No such corrective action has been taken in 2023-24.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

(This principle emphasizes the importance of environmental stewardship. Companies should minimise their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

Essential Indicators

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

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C.)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	21,586.4 (GJ)	20,959.5 (GJ)
Total fuel consumption (E)	3,798.3 (GJ)	2,661.7 (GJ)
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	25,384.7 (GJ)	23,621.2 (GJ)
Total energy consumed (A+B+C+D+E+F)	25,384.7 (GJ)	23,621.2 (GJ)
Energy intensity per rupee of turnover (Total energy consumed in GJ / Revenue from operations in Rs. in Lakhs)	0.7	0.7
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed in GJ/ Revenue from operations in Rs. in Lakhs adjusted for PPP)	14.6	15.2
Energy intensity in terms of physical output (Total energy consumed in GJ / Number of units produced in Lakhs)	8.5	8.0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

If yes, name of the external agency.

NA

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor for India published by the World Bank for the year 2023, which is 20.22.

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? (Yes/No)**

No

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.

Not Applicable

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

Parameter Water withdrawal by source (in kilolitres)	FY 2023-24	FY 2022-23
(i) Surface water	0	0
(ii) Groundwater	43,309.2	35,939.5
(iii) Third party water	27,153.0	21,744.1
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Recycled water*	23,478	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)*	70,462.2	57,683.6
Total volume of water consumption (in kilolitres)	63,749.2	68,938.6
Water intensity per rupee of turnover (Total water consumptionin KL/Revenue from operations in Rs. in Lakhs)	1.8	2.2
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption in KL / Revenue from operations in Rs. in Lakhs adjusted for PPP)	36.8	44.4
Water intensity in terms of physical output (Total water consumed in KL / Number of units produced in Lakhs)	21.3	23.5

*Recycled water constitutes 33.32% of the total water withdrawal

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No)

No

If yes, name of the external agency.

NA

*33.32% water is recycled water in total volume of water withdrawal.

4. **Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0	-
With treatment – please specify level of treatment	0	-

Parameter	FY 2023-24	FY 2022-23
(ii) To Groundwater		
No treatment	0	-
With treatment – please specify level of treatment	0	-
(iii) To Seawater		
No treatment	0	-
With treatment – please specify level of treatment	0	-
(iv) Sent to third-parties		
No treatment	6,498.0	-
With treatment – please specify level of treatment	0	-
(v) Others		
No treatment	3,089.0	-
With treatment – please specify level of treatment	0	-
Total water discharged (in kilolitres)	9,587.0	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

NA

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

   Yes

   Zero Liquid Discharge is implemented in 3 units to treat wastewater, meet environmental laws, and eliminate liquid waste discharge through effective treatment processes.

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

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	mg/Nm3	320.7	73.9
SOx	mg/Nm3	17.8	7.3
Particulate matter (PM)	mg/Nm3	35.1	26.9
Persistent organic pollutants (POP)	Microgram per cubic metre	-	-
Volatile organic compounds (VOC)	Microgram per cubic metre	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify			
Carbon Monoxide	mg/Nm3	284.4	71.5
PM 2.5	Microgram per cubic metre	-	27.5

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.

Yes

1. ECO GREEN SOLUTION SYSTEMS PVT LTD
2. SIMA LABS
3. CENTRE FOR INDUSTRIAL TESTING AND RESEARCH ORGANIZATION
4. EVAPO TECH TECHNICAL SERVICE AND CONSULTANTS

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

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	748.7	581.1
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	4,293.3	4,715.9
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions in Metric tonnes of CO2 equivalent / Revenue from operations in Rs. in Lakhs)		0.1	0.2
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions in Metric tonnes of CO2 equivalent / Revenue from operations in Rs. in Lakhs adjusted for PPP)		2.9	3.4
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 & Scope 2 emission in Metric tonnes of CO2 equivalent / Number of units produced in Lakhs**)**		1.7	1.8

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

NA

8. Does the entity have any project related to reducing Green House Gas emission? (Yes/ No) If Yes, then provide details.

No

While we currently do not have a specific greenhouse gas (GHG) emission reduction project in place, our organisation is committed to implementing environmentally friendly practices. We prioritise the use of recyclable metals, which helps minimise the environmental impact associated with their production and disposal. Additionally, we have installed LED lights throughout our premises, which consume less energy and contribute to lower carbon emissions. Moreover, our packaging materials are sourced from biodegradable sources, ensuring a reduced environmental footprint. These initiatives are part of our ongoing efforts to promote sustainability and minimise our ecological footprint, even in the absence of a dedicated GHG emission reduction project.

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

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	13.3	4.9
E-waste (B)	0.2	0.1
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0.1
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	20.0	15.7
Process waste	1.3	-
Discarded containers	3	-
ETP sludge	13.6	-
Exhaust air cleaning residue	0.0	-
Used acid	0.0	-
Spent bath	0.2	-
Waste oil	1.7	-
Other Non-hazardous waste generated (H).	587.3	544.9
Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		

Parameter	FY 2023-24	FY 2022-23
Metal scrap	521.9	515.4
Paper scrap	51.1	29.5
Wood Scrap	6.1	-
Brass Scrap	8.2	-
Total (A+B + C + D + E + F + G + H)	620.8	565.7
Waste intensity per rupee of turnover (Total waste generated in MT / Revenue from operations in Rs. in Lakhs)	0.2	0.2
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generatedin MT / Revenue from operations adjusted for PPP in Rs. in Lakhs)	3.6	3.6
Waste intensity in terms of physical output (Waste generated in MT / Number of units produced in Lakhs)	0.2	0.2
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	**FY 2023-24**	**FY 2022-23**
(i) Recycled	28.8	14.8
(ii) Re-used	0	0
(iii) Other recovery operations	0.1	0
Total	28.9	14.8
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	**FY 2023-24**	**FY 2022-23**
(i) Incineration	1.6	0.3
(ii) Landfilling	13.8	8.9
(iii) Other disposal operations	576.5	541.6
Total	591.9	550.8

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

NA

10. 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 organisation, we adhere to proper waste management practices in strict compliance with applicable laws and regulations. This includes diligent segregation, careful handling, safe storage, and responsible disposal of waste through authorised vendors. Our waste management systems are designed in accordance with industry standards, ensuring effective management and adherence to established protocols. By maintaining a robust waste management framework, we prioritise environmental sustainability and fulfil our commitment to responsible waste-handling practices.

Waste management practices:

- Developing hazardous waste management SOPs
- A storage facility has been established to accommodate both hazardous and non-hazardous waste
- In accordance with the laws and guidelines set by the state pollution control board, we employ various methods such as reuse, recycling, reprocessing, recovery, treatment, and disposal to ensure proper management of the waste.
- Disposing of Hazardous Waste to the authorised recycler of the Pollution Control Board
- Efficient treatment plants to treat the water before discharging it to central ETPs

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	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.
The Company does not have any operations/ offices in ecologically sensitive zone.				

12. 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
The Company has not undertaken Environmental Impact Assessment in FY 2023-24.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/ NA). 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
Not applicable			

Leadership Indicators

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24**	FY 2022-23*
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	(Metric tonnes of CO2 equivalent)	750.5	-
Total Scope 3 emissions per rupee of turnover	(Metric tonnes of CO2 equivalent/ Rs. in Lakhs of turnover)	0.0	-

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

*In FY 2022-23 company has not calculated scope – 3 emissions.

**For FY 2023-24, The Company has calculated Scope-3 emissions for Category – 3: Fuel and energy related activities (Not included in scope-1 and scope-2) and category – 5: Waste generated in operations.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

Essential Indicators

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

10

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.**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/ International)
1	Confederation of Indian Industry (CII)	National
2	All India Federation of Horological Industries	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4	PHD Chamber of Commerce & Industry	National
5	Electronic Industries Association of India	National
6	Indo-French Chamber of Commerce & Industry (IFCCI)	National
7	Swiss-Indian Chamber of Commerce	National
8	Parwanoo Industries Association (PIA)	State
9	Peenya Industries Association	State
10	Karnataka Employers Association	State

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
	Nil	

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

(This principle emphasizes the importance of promoting inclusive and equitable economic development. Companies should create economic opportunities for all, including disadvantaged and marginalised groups. They should also contribute to the development of local communities and support social and economic empowerment.)

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
The Company has not under taken Social Impact Assessment of any project in 2023-24.					

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In Rs.)
Rehabilitation and Resettlement (R&R) has not been undertaken by the Company for any of the projects.						

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

KDDL has implemented a whistle-blower mechanism for community grievances, offering a way to report concerns. Grievances can be submitted via email to whistleblower@kddl.com or by contacting the designated representative at our manufacturing facilities.

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

Particular	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	23.6%	22.0%
Directly from within India	47.8%	49.4%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Particular	FY 2023-24	FY 2022-23
Rural	26.3%	25.2%
Semi-urban	56.4%	61.2%
Urban	0%	0%
Metropolitan	17.3%	13.5%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban/metropolitan)

Leadership Indicators

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.	Million Tree Project	NA	NA
2.	Medical mission, Jhabua, Madhyapradesh	NA	NA
3.	Animal adaption, Bennerghatta Zoo, Bengaluru	NA	NA
4.	Lavatory Project Maintenance, Cremation ground, Chandigarh	NA	NA
5.	Medical help for poor and needy patients, Chandigarh	NA	NA
6.	Promoting educational and vocational training,	NA	NA
7.	After care and livelihood program	NA	NA
8.	Organ donation	NA	NA

*Due to the nature of the CSR projects, number of persons benefitted from CSR projects cannot be calculated.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

Essential Indicators

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

At KDDL, we recognise the importance of consumer feedback and complaints for our organisation's growth and success. We have established multiple mechanisms to actively engage with consumers.

We offer various channels for consumers to provide feedback and address complaints:

- Defined customer engagement SOPs and protocols, as applicable
- Email communication
- CAPA process
- Maintaining a register in an Excel file for customer feedback/complaints, as applicable
- Issuing quality alerts regarding problems, root causes, and corrective actions, and communicating these with our customers.

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

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

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

	FY 2023-24		Remarks	FY 2022-23		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	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cyber-security	0	0	Nil	0	0	Nil
Delivery of essential services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Other	0	0	Nil	0	0	Nil

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

Particular	Number	Reason for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

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

KDDL's IT policy includes measures to protect against cyber-security threats and data privacy concerns, addressing potential risks in both areas.

The policy ensures comprehensive measures are implemented to mitigate these risks within the organisation.

The policy is available on the company's intranet, and data privacy terms are accessible on the website.

https://www.kddl.com/terms/

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 such incident has occurred in 2023-24

7. Provide the following information relating to data breaches

a. **Number of instances of data breaches along-with impact** 0

b. **Percentage of data breaches involving personally identifiable information of customers** 0

c. **Impact, if any, of the data breaches**

No such incident of data breach has been occurred in 2023-24.

ANNEXURE V

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO THE PROVISIONS OF SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014:

A. CONSERVATION OF ENERGY :

a) **Steps taken for conservation:** The Company continues to give high priority to conservation of energy on an on-going basis. A few significant measures taken are:

i) Periodical and preventive maintenance of electric equipments and ensured optimum utilisation of electric energy.

ii) Phased balancing of heating and lighting load.

iii) Increase in power factor by installing capacitor at the individual machines.

iv) Solar- powered street lights and the replacement of CFL bulbs with LED Lights.

b) **Steps taken for utilising alternate sources of energy:** Use of renewable energy such as solar and wind.

c) **Capital investment on energy conservation equipments:** Further energy conservation is planned through replacement of and modification of inefficient equipments and by providing automatic controls to reduce idle running of equipments.

B. TECHNOLOGY ABSORPTION:

Efforts made for technology absorption

1. Research and Development (R & D):

a) **Specific areas on which R & D carried on by the Company:** Research and Development has been carried out for quality improvement, new product developments and productivity improvement.

b) **Benefits derived as a result of the above R & D:** Increase in overall efficiency, productivity and quality of outgoing product and a wider range of watch components along with incremental business from customers.

c) **Future plan of action:** Further improvement in production processes, to develop new dial finishes, new types of index, development of tools and components and reduction of costs would continue.

d) **Expenditure on R&D:** No separate account is being maintained by the company for the expenditure incurred on R&D. However, the Company is incurring recurring expenditure towards development activities.

2. Technology Absorption, Adaptation & Innovation :

Efforts, in brief, made towards technology absorption, adaptation and innovation: The Company is constantly engaged in in-house R&D and is in constant touch with the new technologies.

Benefits derived as a result of the above efforts: Due to continuous developmental efforts, the Company has been able to produce much more complicated dials which were being imported until now.

3. i) **Technology imported:** None after 1995.

ii) **Year of Import:** N.A.

iii) **Has technology been fully absorbed? :** Yes.

iv) **If not absorbed, area where this has not taken place, reasons thereof and future plans of action:** N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	(Rs. in Millions) 2023-24
Foreign Exchange Earnings	2465.56
Foreign Exchange Outgo	433.07

ANNEXURE VI (A)

PARTICULARS OF EMPLOYEES

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

<table>
<tr><th>S.No.</th><th>Requirements of Rule 5(1)</th><th>Details</th></tr>
<tr><td>(i)</td><td>The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year</td><td><table><tr><td>Mr. Yashovardhan Saboo#</td><td>100.9:1</td></tr><tr><td>Mr. Sanjeev Masown#</td><td>45.3:1</td></tr></table># Excluding the additional incentive for excess operational profit compared to budget of Rs. 188 Lacs and Rs. 77 lacs respectively</td></tr>
<tr><td>(ii)</td><td>The percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;</td><td><table><tr><th>Name</th><th>As per Payout</th><th>As per Terms</th></tr><tr><td>Mr. Yashovardhan Saboo</td><td>23.1%</td><td>77.2%</td></tr><tr><td>Mr. Sanjeev Kumar Masown</td><td>21.3%</td><td>13.3%</td></tr><tr><td>Mr. Brahm Prakash Kumar</td><td>27.6%</td><td>9.3%</td></tr></table>The difference in terms of appointment and actual payout is due to variable component, which is linked to performance of individual and company against the agreed parameter.</td></tr>
<tr><td>(iii)</td><td>The percentage increase in the median remuneration of employees in the financial year;</td><td>14.0%</td></tr>
<tr><td>(iv)</td><td>The number of permanent employees on the rolls of company;</td><td>1284 employee as on 31st March 2024</td></tr>
<tr><td>(v)</td><td>Average percentiles increase already made in the salaries of employees other than the key 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;</td><td>Average Salary increase of non-managerial employees is 10.5%
Average salary increase of managerial employees is 12.2%
There are no exceptional circumstances in increase in managerial remuneration.</td></tr>
<tr><td>(vi)</td><td>Affirmation that the remuneration is as per the remuneration policy of the company.</td><td>Remuneration paid during the year is as per the Remuneration Policy of the Company.</td></tr>
</table>

ANNEXURE VI (B)

Top Ten Employees In Terms of Remuneration Drawn in 2023-24

Sr. No.	Name of the employee	Designation	Remuneration Received (2023-24) Amount in Rupees p.a.	Nature of employment, whether contractual or otherwise	Qualifications and Experience of the employee	Date of commencement of employment	Age	The last employment held by such employee before joining the company	whether any such employee is a relative of any director of the company and if so, name of such director
1	Mr. Yashovardhan Saboo	Chairman & Managing Director	6,09,96,680	Full time employment	B.A. (Hons.) and MBA from IIM (41 years)	25-03-1981	65 years	Groz Beckert Asia Pvt Ltd (Formerly known as) Groz-Beckert Saboo Limited, Chandigarh	He is brother of Mr. Jai Vardhan Saboo and husband of Mrs. Anuradha Saboo, Non Executive Directors of the Company.
2	Mr. Sanjeev Kumar Masown	Whole Time Director cum Chief Financial Officer	2,63,85,629	Full time employment	M. COM and ICMA (30 years)	01-03-2011	54 years	Samtel Color Limited, Delhi	No
3	Mr. B. Satish	Vice President	1,72,15,626	Full time employment	MBA and Inter CA (36 years)	10-10-1994	58 years	Hero Roloforms Pvt Ltd, Bangalore	No
4	Mr. Vincent Alberola (Swiss Employment)	Senior Manager	1,33,65,866	Full time employment	Mechanical Engineering, Marketing Degree & Post Graduation in Project Management (22 years)	04-02-2010	52 years	Movado, Switzerland	No
5	Mr. Pascal Armilloti (Swiss Employment)	Senior Manager	1,31,93,180	Full time employment	Master's in Mechanical Engineer (35 years)	18-10-2022	54 years	IngeConseils, Switzerland	No
6	Mr. Venkatachary Srinivasan	Vice President	1,17,60,937	Full time employment	B.E. Mechanical and Master Degree (37 years)	08-07-2019	57 years	Tube Investments of India Pvt. Ltd. Chennai	No
7	Mr. Caviraj Appadoo (Swiss Employment)	Senior Manager	1,14,36,171	Full time employment	B. Engineering in France (24 years)	01-04-2019	48 years	ISM Ltd, Mauritius	No
8	Mr. Jayasimha G	Senior General Manager	1,04,68,138	Full time employment	Technical Diploma (34 years)	15-05-2003	62 years	HMT Watches, Bangalore	No
9	Mr. M P Prakash Kanaka	Senior General Manager	85,97,510	Full time employment	MBA- Finance (28 years)	29-08-2018	51 years	Guhring India Pvt. Ltd. Bangalore	No
10	Mr. Jagadeesh B. Patil	Senior General Manager	68,77,412	Full time employment	MBA (23 years)	10-05-2016	51 years	UNI-VTL Precision Pvt. Ltd. Bangalore	No

ANNEXURE VII

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[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,

KDDL Limited

Plot No. III, Sector 3

Parwanoo, Himachal Pradesh

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KDDL LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the KDDL LIMITED'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 authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by KDDL LIMITED ("the Company") for the financial year ended on March 31, 2024 under the provisions of below mentioned regulations:

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

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(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 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

c) The Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021- Not Applicable to the company during the financial year under review.

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not Applicable to the company during the financial year under review.

e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review.

(vi) The major provisions and requirements have also been complied with as prescribed under all applicable Labour laws viz. The Factories Act, 1948, The Payment of Wages Act, 1936, The Payment of Bonus Act, 1965, Industrial Dispute Act, 1947, Employee State Insurance Act, 1948, The Employee's Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Gratuity Act, 1972.

(vii) Hazardous Waste (Management and Handling) Rules, 1989 and the Amendments Rules, 2003.

(viii) The Air (Prevention and Control of Pollution) Act, 1981

(ix) The Water (Prevention and Control of Pollution) Act, 1974

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India.

b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on the National Stock Exchange of India Limited and BSE Limited.

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

Based on my examination and the information received and records maintained, I further report that:

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

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, 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.

3. All decision is carried through majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.

4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion 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.

I further report that during the audit period approval of the members was sought in the 43rd Annual General Meeting of the company held on 29.09.2023 inter alia, for

i. borrowing, by way of inviting and accepting unsecured fixed deposits from shareholders of the company, by way of ordinary resolution;

ii. Alteration in the Articles of Association of the company.

Apart from the business stated above, there were no instances of:

(i) Redemption / buy-back of securities.

(ii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.

(iii) Foreign technical collaborations.

Date: 12.08.2024
Place: Chandigarh
UDIN: F002191F000952195

For A. ARORA & CO.
AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993
Peer Review Cert No. 2120/2022

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

Annexure-A"

To,

The Members,

KDDL Limited

Plot No. III, Sector 3

Parwanoo, Himachal Pradesh

My 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. My responsibility is to express an opinion on these secretarial records, based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the extent of verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 12.08.2024
Place: Chandigarh
UDIN: F002191F000952195

For A. ARORA & CO.
AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993
Peer Review Cert No. 2120/2022

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence of standards for achieving the objectives of the Company, enhance shareholder value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibility and authority to Board of Directors, its committees and executive management, senior management, employees etc.

The Company acknowledges its responsibility to its esteemed stakeholders. Even in a fiercely competitive business environment, the Management and the employees of the Company are committed to uphold the core values of transparency, integrity, honesty and accountability which are fundamental to the Saboo Business Group. The Company believes that Corporate Governance helps to achieve commitment and goals to enhance stakeholder value by focusing towards all stakeholders. Any good corporate governance provides an appropriate framework for the Board, its committees and the executive management to carry out the objectives that are in the interest of the Company and its stakeholders. The Company maintains highest levels of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

II. BOARD OF DIRECTORS

(a) Composition and attendance in meetings

The Board of Directors of the Company has an optimum combination of executive and non-executive directors. The Board of Directors presently comprises of 8 (eight) members including 2 (two) Whole-Time directors, i.e., the Chairman–cum-Managing Director and the Whole Time Director-cum-Chief Financial Officer. The composition of the Board is in conformity with regulation 17 of Securities & Exchange Board of India(Listing Obligations and Disclosure Requirement) Regulations, 2015 [SEBI(LODR) Regulations]

During the financial year ended on 31st March 2024, eight (8) Board Meetings were held and the gap between two meetings did not exceed one twenty days. The dates on which the Board Meetings were held are as follows:

26th May, 2023	12th August, 2023	20th September, 2023	29th September, 2023
14th November, 2023	18th January, 2024	14th February, 2024	26th March, 2024

The following table gives the composition and category of the Directors, their attendance at the Board meetings held during the year, at the last Annual General meeting and number of equity shares held by non-executive directors:

Name of the Director	Designation	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM held on 30-09-2023	Number of Shares / Convertible instruments held by non –executive directors
Mr. Yashovardhan Saboo	Chairman & Managing Director	Promoter-Executive	8	Yes	-
Mr. Anil Khanna*	Director	Independent-Non Executive	8	Yes	1700
Ms. Ranjana Agarwal*	Director	Independent- Non Executive	6	No	-
Mr. Praveen Gupta	Director	Independent- Non Executive	6	Yes	-
Mr. Nagarajan Subramanian	Nominee Director	Independent- Non Executive	8	Yes	40
Mrs. Neelima Tripathi	Director	Independent- Non Executive	7	Yes	-
Mr. Jai Vardhan Saboo	Director	Promoter Group- Non Executive	3	No	-
Mr. Sanjiv Sachar	Director	Independent- Non Executive	8	Yes	1521
Mr. Sanjeev Kumar Masown	Whole Time Director-cum- CFO	Executive	8	Yes	-
Mrs. Anuradha Saboo**	Director	Promoter Group- Non Executive	6	Yes	4,66,438

*Ceased to be Directors w.e.f 6th August, 2024

**Appointed w.e.f 12th August, 2023

Except Mr. Yashovardhan Saboo, Mrs. Anuradha Saboo and Mr. Jai Vardhan Saboo, none among other directors have any inter-se relationships.

(b) Independent Directors

The Independent Directors of the Company have been appointed in terms of the requirements of Companies Act, 2013 ('the Act'), the SEBI (LODR) Regulations and the Nomination and Remuneration policy of the Company.

Independent Directors have confirmed that they meet the criteria of independence as defined under Regulation 16(1) (b) of the SEBI (LODR) Regulations and Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the provision of the Act.

In terms of Regulation 25(8) of the SEBI (LODR) Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board is of the opinion that the Independent Directors fulfil the independence criteria specified in the Act and the SEBI (LODR) Regulations and that they are independent of the management. In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors have confirmed that they have enrolled themselves in the Independent Directors' Data bank maintained with the Indian Institute of Corporate Affairs.

(c) Independent Directors' meeting

As per the requirement of the Companies Act, 2013 and Regulation 25(3) of SEBI (LODR) Regulations, the Independent Directors of the Company met on 22nd March, 2024 and discussed, reviewed the performance of Non-Independent Directors, the Board of Directors as a whole, Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management & the Board and shown their satisfaction on the same.

(d) Skills / Expertise / Competencies of the Board of Directors

The following is the list of core skills / competencies identified by the Board of Director as required in the context of the Company's business and that the said skills are available with the Board Members i.e Mr. Yashovardhan Saboo, Mr. Sanjeev Kumar Masown, Mr. Anil Khanna, Mrs. Ranjana Agarwal, Mr. Sanjiv Sachar, Mr. Praveen Gupta, Mr. Jai Vardhan Saboo, Mr. Nagarajan Subramanian, Mrs. Neelima Tripathi and Mrs. Anuradha Saboo

Wide management and leadership experience	Strong management and leadership experience including in areas of business development, strategic planning, and risk management, technology, manufacturing, banking, investments and finance, international business. Demonstrated strengths in developing talent, planning succession and driving change and long-term growth.
Diversity	Diversity of thought, experience, knowledge, perspective, gender and culture. Varied mix of strategic perspectives, and geographical focus with knowledge and understanding of key relevant markets and industry.
Functional and managerial experience	Knowledge and skills in accounting and finance, business Judgment, general management practices and processes, industry knowledge, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management.
Personal values	Personal characteristics matching the Company's values, such as integrity, accountability, and high performance standards.
Corporate governance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates.

(e) Details of Familiarisation programme for Independent Directors

Details of Familiarisation programme imparted to Independent Directors are available on the website of the Company i.e. https://www.kddl.com/familiarization-programme/

III. COMMITTEES OF BOARD

Presently, the Board has five committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee:

A. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the SEBI (LODR) Regulations and the provisions of Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are based on the role of the Audit Committee, as mentioned in Section 177 of the Companies Act, 2013, Regulation 18 of the SEBI (LODR) Regulations and as determined by the Board which inter alia, includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
    b) Changes, if any, in accounting policies and practices and reasons for the same
    c) Major accounting entries involving estimates based on the exercise of judgment by management
    d) Significant adjustments made in the financial statements arising out of audit findings
    e) Compliance with listing and other legal requirements relating to financial statements
    f) Disclosure of any related party transactions
    g) Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through and issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person

heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Reviewing compliance with the Insider Trading Regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively;
23. Reviewing the information as specified in the para B of Part (C) of the Schedule II of the SEBI (LODR) Regulations;
24. To review and approve all transactions/ agreements with related parties.
25. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee met seven times during FY 2023-24. The Audit Committee meetings were held on following dates:

26th May, 2023	11th August, 2023	20th September, 2023	29th September, 2023
14th November, 2023	18th January, 2024	14th February, 2024	

The composition of the Committee and attendance of the members at the meetings held during the financial year 2023-24 is given hereunder:

Name of the Director	Category	Designation	No. of Meetings attended out of 7 meetings
Mr. Anil Khanna*	Independent Non Executive	Chairman	7
Mrs. Ranjana Agarwal*	Independent Non Executive	Member	5
Mr. Praveen Gupta	Independent Non Executive	Member	7
Mr. Sanjiv Sachar**#	Independent Non Executive	Chairman	NA
Mr. Yashovardhan Saboo**	Executive	Member	NA

*Ceased to be Director w.e.f 6th August, 2024

**# Appointed as Chairman w.e.f 14th August, 2024

**Appointed as Member w.e.f 14th August, 2024

The Audit Committee invites such Executives as it considers appropriate to be present at its meetings. The Chief Financial Officer and Company Secretary attended all the meetings. The Statutory Auditors are invited to the meetings in which Quarterly/Annual Accounts are considered. The Internal Auditors are also invited to the meetings in which Internal Audit Reports are discussed. The Company Secretary acts as the Secretary of the Committee.

B. NOMINATION AND REMUNERATION COMMITTEE

The Company has Nomination, Remuneration Committee (NRC Committee) in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.Terms of references of the Committee is in accordance with the Companies Act, 2013 and SEBI Regulations inter-alia includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

1A. 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.

2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

3. Devising a policy on diversity of board of directors;

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

5. 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.

6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

The composition of the Committee, details of meetings held and attendance of the members during the financial year 2023- 24 is given hereunder:

Name of the Director	Category	Position held in the Committee	Attendance at NRC Committee Meeting held during 2023-24				Total No. of Meetings Attended
			26-05-2023	12-08-2023	14-11-2023	14-02-2024	
Mr. Sanjiv Sachar	Independent Non Executive	Chairman	Y	Y	Y	Y	4
Mrs. Ranjana Agarwal*	Independent Non Executive	Member	Y	N	Y	Y	3
Mr. Praveen Gupta	Independent Non Executive	Member	Y	Y	Y	Y	4
Mr. Anil Khanna*	Independent Non Executive	Member	Y	Y	Y	Y	4
Mr. Yashovardhan Saboo	Whole time Director cum Chairman	Member	Y	Y	Y	Y	4
Mrs. Neelima Tripathi**	Independent Non Executive	Member	NA	NA	NA	NA	NA

*Ceased to be Director w.e.f 6th August, 2024

**Appointed as Member w.e.f 14th August, 2024

The Company Secretary of the Company acts as Secretary to the Committee. Requisite quorum was present at the meetings.

Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors which are as under-

- Director has sufficient skill, experience, time and resources to undertake his/her duties.
- Director's contributions and suggestions at Board / Committee meetings are of high quality.
- Director proactively contribute in development of strategy and risk management of the Company.
- Director's performance and behaviour promotes mutual trust and respect within the Board / Committee.
- Director is effective and successful in managing relationships with fellow Board members and senior management.
- Director understand governance, regulatory, financial, fiduciary and ethical requirements of the Board / Committee.
- Director actively updates himself/herself with the latest developments in relevant areas of the business environment.
- Director has sufficient understanding of the organization and the sector in which it operates.
- Director demonstrates a high level of integrity and confidentiality; and identifying, disclosing and managing conflicts of interest.

REPORT ON CORPORATE GOVERNANCE (Contd.)

- Director works together constructively as a team.
- Director devotes significant time to determining the emerging issues that could affect the organization in future.
- Director has good understanding of the company's key drivers of performance.
- Director is able to focus more on strategic direction rather than day to day management.
- Director has complied with Code of Conduct of the Company.
- Director has complied with the Insider Trading Policy of the Company.
- Director has maintained confidentiality of all information obtained by them.
- Director has provided timely declaration to the company as required by Section 149 of The Companies Act, 2013.
- Director has intimated the company immediately if there are any issues relating to independence.
- Director has not abused their position for gaining any personal benefit for themselves or any person related.

Remuneration of Non-Executive Directors

There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the financial year 2023-24 except receipt of sitting fees from the Company for attending the meetings of the Board and Committees thereof and deposits and / or interest thereon, received from the director, if any, the details of which are given in the financial statements.

Criteria of making payments to Non-Executive Directors

The remuneration of Non Executive Directors shall be finalised considering the following:

a) They will be entitled to receive remuneration by way of sitting fees for attending meetings of the Board or its Committees at rates within the limits prescribed under the Companies Act, 2013 and rules made thereunder.

b) Non Executive Directors do not participate in Board discussions which relate to their own remuneration.

c) They receive reimbursement of reasonable expenses incurred in attending the Board, Committee and other adhoc meetings.

d) Remuneration is paid subject to deduction of Income Tax at source and payment of applicable Service Tax.

During the year under review, the Non Executive Directors of the Company were paid sitting fees as under (including fees paid for Committee meetings):

Name of the Director	Sitting Fees paid (Gross) (Rs.)
Mr. Anil Khanna	8,40,000
Mr. Sanjiv Sachar	6,82,500
Mr. Praveen Gupta	4,80,000
Mr. Jai Vardhan Saboo	1,37,500
Mrs. Ranjana Agarwal	5,42,500
Mrs. Neelima Tripathi	2,87,500
Mrs. Anuradha Saboo	2,62,500
Mr. Nagarajan Subramanian	3,57,500
Total	**35,40,000**

Remuneration of the Executive Directors

a. The remuneration to Executive Directors (including Chairman, Vice Chairman, Managing Director, Whole Time Director) shall be mutually agreed between the Company and the respective Director, within the overall limits prescribed under the Companies Act, 2013 and rules made thereunder. The remuneration shall consist of fixed and variable (incentive) elements of pay. The variable elements shall be linked to performance parameters and quantitative and qualitative assessment. It is provided that the variable shall generally not to be below 20% of the total remuneration; exceptions, if any shall need specific approval of the Nomination & Remuneration Committee (NRC).

b) The remuneration shall be subject to the approval of Members of the Company in General Meeting, if required.

c. In determining the remuneration of Chairman, Vice Chairman, Managing Director (including the fixed increment and performance bonus) the NRC shall consider the following:

- That the relationship of remuneration and performance benchmarks is clear;
- There is a fair balance between fixed and variable (incentive) pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- The responsibility required to be shouldered by the above said Directors.
- Industry benchmarks and the current trends;
- The Company's performance vis-à-vis the annual budget achievement and individual performance vis- à-vis the KRAs / KPIs.

d. Executive Directors are not entitled to sitting fees for attending meeting of directors

The Company has not granted any Stock Options to its Directors or Employees during Financial Year 2023-24.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The constitution and terms of reference of Stakeholders' Relationship Committee (SRC) are in compliance with the provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015. The terms of reference of the SRC inter-alia includes:

(i) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(ii) Review of measures taken for effective exercise of voting rights by shareholders.

(iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(iv) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The composition of the Committee, details of meetings held and attendance of the members during the financial year 2023-24 is given hereunder:

Name	Category	Position held in the Committee	Attendance at meeting held on 14th February, 2024
Mr. Anil Khanna*	Independent Non Executive Director	Chairman	Yes
Mr. Nagarajan Subramanian**	Independent Non Executive Director	Chairman	Not Applicable
Mr. Yashovardhan Saboo	Chairman & Managing Director	Member	Yes
Mr. Sanjeev Masown	Whole time Director cum Chief Financial Officer	Member	Yes

*Ceased to be Director w.e.f 6th August, 2024

**Appointed as Chairman w.e.f 14th August, 2024

The Company Secretary of the Company is authorized to authenticate the transfers/transmissions/issue of duplicate share certificates etc. All requests for dematerialization of shares are processed and confirmed by M/s MAS Services Limited, Registrars and Share Transfer Agent of the Company.

Requisite quorum was present at the meeting. The Company Secretary of the Company acts as Secretary to the Stakeholders' Relationship Committee.

Details of Complaints received and resolved during the year

Complaints pending as on 1st April, 2023	Nil
During the period from 1st April, 2023 to 31st March, 2024	4
Complaints disposed off during the year ended 31st March, 2024	4
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2024	Nil

D. Corporate Social Responsibility Committee:

The Company has a Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013. CSR Committee comprises of 1 Independent Director, 1 Executive Director, 1 Non-Executive Director and 1 other member who is Chairman Emeritus.

The terms of reference of the CSR Committee are as follows:

(a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII

(b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

(c) monitor the Corporate Social Responsibility Policy of the company from time to time.

The Board adopted CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company at https://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf. The Annual Report on CSR activities for FY 2023-24 forms a part of the Board's Report.

The composition of the Committee, meetings held during the year and attendance of the members during the financial year 2023-24 is given hereunder:

Name	Category	Position held in the Committee	26th May, 2023
Mr. R. K.Saboo	Member	Chairman	Yes
Mr. Yashovardhan Saboo	Executive Director	Member	Yes
Mrs. Ranjana Agarwal*	Independent Non-Executive Director	Member	Yes
Mr. Praveen Gupta	Independent Non-Executive Director	Member	Yes
Mrs. Anuradha Saboo**	Non-Executive Director	Member	Not Applicable

*Ceased to be Director w.e.f 6th August, 2024.

**Appointed as Member w.e.f 14th August, 2024.

Requisite quorum was present at the meeting. The Company Secretary of the Company acts as Secretary to the Corporate Social Responsibility (CSR) Committee.

E. RISK MANAGEMENT COMMITTEE

The Risk Management Committee ("RMC") has been constituted in terms of the provisions of regulation 21 of the SEBI (LODR) Regulation. RMC comprises of 2 Independent Directors and 2 Executive Directors.

The role of the committee shall, inter alia, include the following:

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

 (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

 (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

 (c) Business continuity plan.

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

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

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

The Risk Management Committee shall coordinate its activities 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.

The Board adopted Risk Management Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company at https://www.kddl.com/wp-content/uploads/PDF/policies/RCM-19-12-2022.pdf

The composition of the RMC of the Board of Directors of the Company along with the details of the meetings held during the financials year 2023-24 and attendance of the members of the Committee is detailed below:

Name	Category	Position held in the Committee	Attendance at the meetings held on	
			12th August, 2023	14th February, 2024
Mr. Yashovardhan Saboo	Executive Director	Chairman	Yes	Yes
Mr. Sanjiv Sachar	Independent Non-Executive	Member	Yes	Yes
Mr. Praveen Gupta	Independent Non-Executive	Member	Yes	Yes
Mr. Sanjeev Masown	Executive Director	Member	Yes	Yes

The gap between two Risk Management Committee Meetings did not exceed 180 days. Requisite quorum was present at meetings. The Company Secretary of the Company acts as Secretary to the Risk Management Committee.

IV. SHAREHOLDERS INFORMATION

General Body Meetings

(i) Details of location, date and time where last three Annual General Meetings were held along with the special resolutions passed, are given as below :

Financial year	Details of Location	Date	Time	Special resolutions passed
2021-22	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	27th September 2022	10:30 a.m	a) Re-appointment of Mr. Sanjiv Sachar (DIN: 02013812) as an Independent Director of the Company. b) To appoint Mr. Nagarajan Subramanian (DIN: 02406548) as an Independent Director of the Company. c) To appoint Mrs. Neelima Tripathi (DIN: 07588695) as an Independent Director of the Company. d) Amendment in Articles of Association of the Company. e) Approval for One Time Value Creation Award for Mr. Yashovardhan Saboo, Chairman & Managing Director of the Company.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Financial year	Details of Location	Date	Time	Special resolutions passed
2020-21	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	28th September 2021	10:30 a.m	f) Re-appointment of Mr. Sanjeev Kumar Masown (DIN: 03542390) as Whole me Director (Key Managerial Personnel with functional designation of Chief Financial Officer) g) Approval for the payment of remuneration payable to Mr. Anil Khanna – Independent Director & Non-Executive Director of the Company.
2022-23	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	Friday, 29th September, 2023	12.00 P.M.	a) Amendment in Articles of Association of the Company. b) Approval for Incentive Payout to Mr. Yashovardhan Saboo (DIN – 00012158), Chairman and Managing Director of the Company for the financial year ended 31st March, 2023. c) Approval for Incentive Payout to Mr. Sanjeev Kumar Masown (DIN – 03542390), Whole time Director cum Chief Financial Officer for the financial year ended 31st March, 2023.

(ii) Details of location, date and time where General Meetings were held during the financial year 2022-23 along with the special resolution passed are given below : Nil

(iii) During the financial year under review, the following Special Resolution was passed through postal ballot :

a) Re-appointment of Mr. Yashovardhan Saboo (DIN – 00012158) as Chairman and Managing Director of the Company and approval of remuneration.

There is no any special resolution proposed to be conducted through postal ballot.

V. MEANS OF COMMUNICATION

Quarterly Results	Quarterly Results are submitted to the Stock Exchanges and are also are displayed on the Company's website i.e www.kddl.com.
Newspapers in which quarterly results are published	Financial Express (English)/Jan Satta (Hindi)
Any website where results or official news are displayed	Yes, www.kddl.com
Whether it also displays official news releases	The financial results and other relevant information including news release are displayed on the website of the Company
The presentations made to institutional investors or to the analysts	Yes

VI. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting

Date & Time: Friday, 27th September 2024 at 12:00 P.M. (IST)

Venue : Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

(b) Financial Year

Financial year : 1st April 2023 to 31st March 2024

For the financial year ended 31st March, 2024, results were announced on:

- 30th June, 2023 : 14th August 2023
- 30th September 2023 : 11th November 2023
- 31st December 2023 : 14th February 2024
- 31st March 2024 : 14th May 2024

For the year ending 31st March, 2024, the tentative dates for announcement of the results:

- 30th June, 2024 : 14th August 2024 (Result Declaration Date)
- 30th September 2024 : Within 45 days from the end of quarter
- 31st December 2024 : Within 45 days from the end of quarter
- 31st March 2025 : Within 60 days from the end of quarter / financial year

(c) Date of Book Closure: Record Date : Tuesday, 27th August, 2024

(d) Dividend Payment Date: Within 30 days from the declaration.

(e) Name of Stock Exchanges at which the securities are listed and Scrip Code :

(i) BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001
Scrip Code: 532054

(ii) National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C-1, G Block,
Bandra Kurla Complex, Bandra (E), Mumbai- 400 051
Scrip Code: KDDL

(f) Listing Fees to the Stock Exchanges: The Company has paid listing fees in respect of financial year 2023-24 to BSE Limited and National Stock Exchange of India Limited.

(g) Registrar and Share Transfer Agent (RTA):

MAS Services Limited
T-34, 2nd Floor, Okhla Industrial Area
Phase- II, New Delhi- 110 020
Ph: +91 11 2638 7281 /82 /83
Fax: +91 11 2638 7384
Email: investor@masserv.com
Visit: www.masserv.com

(h) Share Transfer System:

The Company has authorised RTA for transfer/ transmission/ dematerialisation/rematerialisation etc., who process the formalities related thereto, on an average of once a week. The share certificates are returned/dispatched to the shareholders by the RTA after necessary endorsements, normally within 15 days from the date of receipt. In terms of amended Regulation 40 of Listing Regulations w.e.f. 1st April 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from 24th January 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/ sub-division/ splitting/consolidation of securities, transmission/ transposition of securities. Vide its Circular dated 25th January 2022, SEBI has clarified that listed entities/RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

(i) Dematerialisation of shares and liquidity

The Company has set up requisite facilities for dematerialisation of its equity shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreements with both the depositories. International Securities Identification Number (ISIN) for equity shares is INE291D01011. The status of dematerialisation as on 31st March, 2024 is as under:

Mode	No. of Shares	% (Percentage)
Physical Form	1,42,574	1.14
Dematerialisation Form (CDSL)	20,32,288	16.21
Dematerialisation Form (NSDL)	1,03,62,255	82.65
Total	**1,25,37,117**	**100.00**

(j) Credit Rating:

The detail of credit rating obtained by the Company during the year is provided in the Board's Report, which forms a part of the Annual Report.

(k) Unclaimed dividend

Pursuant to the provisions of section 124 of the Companies Act, 2013 and rules made thereunder, the amount of dividend which remains unclaimed for a period of seven years from the date of transfer to unclaimed/unpaid dividend account would be transferred to the "Investor Education and Protection Fund" and the shareholders would not be able to make any claims to the amount of dividend so transferred to the Fund. The unclaimed dividend for the years till 2015-16 has already been transferred to the fund. As such, shareholders who have not yet encashed their dividend warrants are requested in their own interest to write to the Company immediately for claiming outstanding dividends declared by the Company.

The schedule for transfer of dividend for the following years remaining unclaimed for seven years from the date of declaration and which are required to be transferred by the Company to the said account is tabled below:

REPORT ON CORPORATE GOVERNANCE (Contd.)

Year	Dividend No.	Dividend unclaimed (₹) as on 31st March, 2024	Date of declaration	Due date for transfer
2016-17	24	3,69,614	11.08.2017	17.09.2024
2017-18	25	4,38,563	14.07.2018	20.08.2025
2018-19	26	3,92,820	11.09.2019	17.10.2026
2019-20 (Interim Dividend)	27	3,83,462	02.03.2020	08.04.2027
2020-21	28	1,51,577	28-09-2021	03-11-2028
2021-22	29	2,62,296	27-09-2022	02-11-2029
2022-23 (Interim Dividend)	30	1,90,782	09-03-2023	14-04-2030
2022-23	31	1,69,570	29-09-2023	04-11-2030
2023-24 (Interim Dividend)	32	31,57,065	25-01-2024	01-03-2031

(l) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments issued by the Company during the year.

(m) Commodity price risk or foreign exchange risk and hedging activities:

The Company doesn't deal in hedging activities.

(n) Address for correspondence

For any grievances/ complaints, shareholders may write to the company at the following address :

Mr. Brahm Prakash Kumar

Company Secretary and Compliance Officer

KDDL Limited

Corporate Office: 'Kamla Centre', SCO 88-89

Sector 8-C, Chandigarh-160 009

Tel: 0172-2544378,Fax: 0172- 2548302

Website: www.kddl.com

Email: investor.complaints@kddl.com

(o) Plant/ Business Locations

Dial Units	1.	Plot No. 3, Sector III, Parwanoo – 173220 (H.P)
	2.	Haibatpur Road, Saddomajra, Near Gulmohar City Derabassi – 140507, Punjab
	3.	Village Dhana, Bagbania, P.O Manpura, Tehsil Baddi, Distt. Solan- 173205 (H.P)
Hands Units	1.	296-97, 5th Main, 11th Cross, Peenya Industrial Area, Bangalore – 560058 (Karnataka)
	2.	408, 1st & 2nd Floor, 4th Main, 11th Cross, Peenya Industrial Area, Bangalore – 560058 (Karnataka)
Packaging Unit	1.	Plot No. 9, Sector V, Parwanoo- 173220 (H.P.)
Packaging Unit	2	Plot No:219, Industrial Area-Phase I Panchkula-134113 (Haryana)
EIGEN Unit	1.	No. 55-A, Hunachur Village, Jala Hobli, Yelahanka Taluk, Bangalore North, Near Kiadb Aerospace Park, Bangalore-562 149 (Karnataka)
Bracelet Unit	1.	Plot No. 29-A7, Dobaspet Industrial Area, Phase-4, Honnenahalli Village, Sompura Hobli, Nelamangala Taluk, Bengaluru – 562 111

(p) All details relating to financial and commercial transactions where Directors may have pecuniary interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters. In matters other than those with pecuniary interests, the Directors are considered to be interested to the extent of their shareholding in the Company and following is the status of their shareholding as on 31st March, 2024:

Sr. No.	Name of the KMP's / Directors	Designation	Number of Equity Shares held as on 31st March, 2024
1)	Mr. Yashovardhan Saboo	Chairman & Managing Director	22,14,664
2)	Mr. Sanjeev Kumar Masown	Whole time Director cum CFO	Nil
3)	Mr. Anil Khanna*	Non-Executive Independent Director	1,700
4)	Mr. Sanjiv Sachar	Non-Executive Independent Director	1,521
5)	Mr. Jai Vardhan Saboo	Non-Executive and Non-Independent Director	Nil
6)	Mrs. Anuradha Saboo	Non-Executive and Non-Independent Director	4,66,438
7)	Mr. Praveen Gupta	Non-Executive Independent Director	Nil
8)	Mr. Nagarajan Subramanian	Non-Executive Independent Director	40
9)	Mrs. Ranjana Agarwal*	Non-Executive Independent Director	Nil
10)	Mrs. Neelima Tripathi	Non-Executive Independent Director	Nil

*Ceased to be Directors w.e.f 6th August 2024

SUBSIDIARY COMPANIES

The financials of the subsidiary companies viz Ethos Limited, Mahen Distribution Limited, Pylania S.A, Estima AG, Kamla Tesio Dials Limited, Cognition Digital LLP & Kamla International Holdings S.A. have been duly reviewed by the audit committee and Board of Directors of the Company. KDDL Board also reviews all significant transactions, if any, entered into by the subsidiary companies.

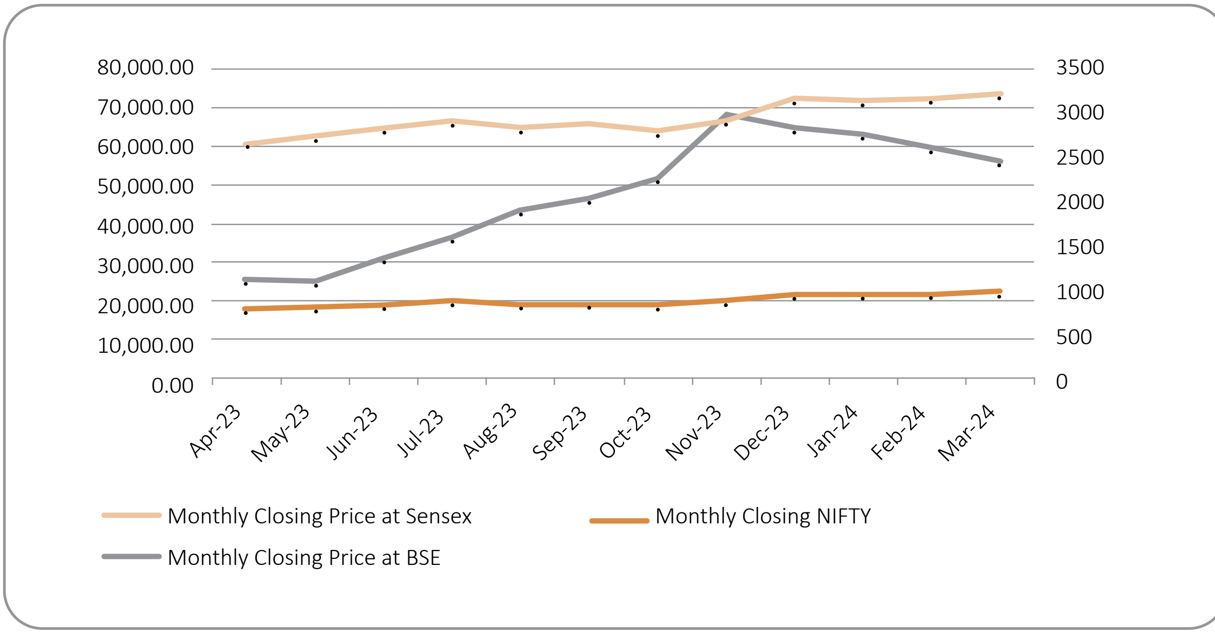
The Company has formulated a policy for determining the material subsidiaries and the details of such policy is available in the website of the Company at web link i.e https://www.kddl.com/wp-content/uploads/PDF/policies/KDDL-Policy-for-determiningMaterial-Subsidiaries.pdf

Market Price Data:

Month	KDDL Price at BSE (Rs.)		KDDL Price at NSE (Rs.)	
	High	Low	High	Low
Apr-23	1,148.00	1,020.70	1,149.00	1,020.55
May-23	1,271.00	1,032.90	1,274.95	1,032.00
Jun-23	1,480.55	1,072.00	1,485.00	1,070.00
Jul-23	1,658.00	1,360.00	1,627.20	1,354.55
Aug-23	2,194.80	1,513.05	2,149.90	1,501.00
Sep-23	2,233.70	1,741.60	2,235.00	1,741.55
Oct-23	2,293.10	1,827.50	2,300.00	1,826.45
Nov-23	3,110.00	2,226.10	3,119.90	2,228.20
Dec-23	3,055.55	2,588.25	3,044.95	2,584.05
Jan-24	2,992.75	2,698.00	3,014.90	2,700.00
Feb-24	2,816.25	2,372.05	2,825.00	2,430.00
Mar-24	2,699.75	2,089.60	2,699.00	2,092.05

REPORT ON CORPORATE GOVERNANCE (Contd.)

Performance of the Company's share price in comparison to Monthly Closing Sensex and Monthly Closing NIFTY:



Distribution of shareholding as on 31st March, 2024:

NO OF SH HOLDERS	% TO TOTAL	SHARE HOLDING OF NOMINAL VALUE OF RS	NO OF SHARE	AMOUNT (IN RS)	% TO TOTAL
2,08,16	96.05	1 TO 5000	1008439	10,084,390	8.044
385	1.776	5001 TO 10000	281233	28,12,330	2.243
181	0.835	10001 TO 20000	262689	26,26,890	2.095
88	0.406	20001 TO 30000	212221	21,22,210	1.693
42	0.194	30001 TO 40000	1,45,014	14,50,140	1.157
26	0.12	40001 TO 50000	1,23,729	12,37,290	0.987
55	0.254	50001 TO 100000	3,98,726	39,87,260	3.18
79	0.365	100001 AND ABOVE	1,01,05,066	10,10,50,660	80.601
21,672	**100**	**TOTAL**	**1,25,37,117**	**1,25,37,1170**	**100**

Shareholding Pattern as on 31st March, 2024 :

Category	Number of Shares	% of shareholding
Promoters		
Indian Promoters	59,71,121	47.63
Foreign Promoters	3,24,150	2.59
Sub-total (1)	**62,95,271**	**50.21**
Public		
Alternate Investment Funds	2,04,864	1.63
Foreign Portfolio Investors including FIIs	1436510	11.46
Central Government / President of India	13,679	0.11
Individuals	3848955	30.70
Directors and their relatives (excluding independent directors and nominee directors)	3	0.00

Category	Number of Shares	% of shareholding
Key Managerial Personnel	2,261	0.02
Financial Institutions/ Banks	50	0.00
Non-Resident Indians	2,46,377	1.97
Clearing Members	8,008	0.06
Bodies Corporate	3,90,242	3.11
IEPF	90,847	0.72
Trusts	50	0.00
Sub-total (2)	62,41,846	49.79
Grand-total (1+2)	**1,25,37,117**	**100.00**

VII. Other Disclosures

(i) During the financial year 2023-24, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. . The transactions with related parties are disclosed in the Balance Sheet.

(ii) There was one day delay in filing the half yearly for the period ended 31st March 2022 disclosure of related party transactions on consolidated basis with BSE and NSE. Fine of Rs. 5900 including GST of Rs. 900 imposed by Stock Exchanges were duly paid.

(iii) The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism for Directors and employees. No person has been denied access to the Audit Committee. The said policy has also been disclosed on the website of the Company under the web link: https://www.kddl.com/wp-content/uploads/PDF/Whisle%20Blower%20Policy.pdf

(iv) The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- The financial statements of the company are with unmodified audit opinion.
- The Internal Auditor of the Company directly reports the Audit Committee.

(v) The Company has framed a policy for determining Material Subsidiary and the same is available on the Company's website under the web link: https://www.kddl.com/wp-content/uploads/PDF/policies/KDDL-Policy-for-determiningMaterial-Subsidiaries.pdf

(vi) The company has framed Related Party Transaction Policy and the same is available on the Company's website under the web link: https://www.kddl.com/wp-content/uploads/PDF/policies/KDDL_Related_Party_Transactions_Policy.pdf

(vii) During the financial year 2023-24, the company did not engage in commodity hedging activities.

(viii) The Board confirm that all Independent Directors of the Company fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and are independent of the management.

(ix) During the financial year 2023-24, the Board has accepted all the recommendations of its Committees.

(x) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, is provided in the consolidated financial statements which form part of this report.

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

a. number of complaints filed during the financial year- Nil

b. number of complaints disposed of during the financial year- Nil

c. number of complaints pending as on end of the financial year- Nil

(xii) Disclosure with respect to demat suspense account/ unclaimed suspense account : Not applicable.

(xiii) The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(xiv) There has been no instance of non-compliance of any requirement of Corporate Governance Report sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.

REPORT ON CORPORATE GOVERNANCE (Contd.)

(xv) The Company has obtained a certificate from M/s. A. Arora & Co., Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

(xvi) The Compliance Certificate on the financial statements for the financial year ended 31st March 2024 is enclosed at the end of this report.

(xvii) Corporate Governance Certificate

As required by Part-E of Schedule V read with Regulation 34(3) of the SEBI (LODR) Regulations, 2015, the certificate on Corporate Governance is enclosed at the end of this report.

(xviii) Code for the Board of Directors and Senior Management Personnel

The Company has laid down a code of conduct for the members of the Board and senior management personnel of the Company. The code of conduct has been posted on the Company's website, i.e. https://www.kddl.com/wp-content/uploads/PDF/corporate/Code%20of%20Conduct25072022.pdf. All the members of the Board and senior management personnel have affirmed their compliance with the said code of conduct for the financial year ended 31st March 2024. A declaration to this effect, signed by Mr. Yashovardhan Saboo, Chairman & Managing Director of the Company is appended at the end of this report.

(xix) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A): Not Applicable.

(xx) The detail of loans and advances in the nature of loan made to the entities in which directors are interested, as per Schedule V of SEBI (LODR) Regulations, are provided in the notes to the financial statements.

(xxi) Name of the Material Subsidiary : Ethos Limited Date and Place of incorporation – 5th November 2007 ; Parwanoo (Himachal Pradesh)

Name of the Statutory Auditors –

S.R. Batliboi & Co. LLP
Charted Accountants
4th Floor, Office 405, World Mark-2, Asset
No. 8, IGI Airport Hospitality District
Aerocity, New Delhi- 110 037
Date of appointment – 2nd September, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
KDDL Limited
Plot No. 3, Sector III,
Parwanoo, Himachal Pradesh.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KDDL Limited having CIN: L33302HP1981PLC008123 and having registered office at Plot No. 3, Sector III, Parwanoo, Himachal Pradesh (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the company
1.	Mr. Yashovardhan Saboo	00012158	25.03.1981
2.	Mr. Jai Vardhan Saboo	00025499	12.12.2016
3.	Mr. Praveen Gupta	01885287	08.11.2014
4.	Mr. Sanjiv Sachar	02013812	07.03.2017
5.	Mr. Sanjeev Kumar Masown	03542390	30.05.2016
6.	Mr. Nagarajan Subramanian	02406548	28.07.2022
7.	Mrs. Neelima Tripathi	07588695	28.07.2022
8.	Mrs. Anuradha Saboo	01812641	12.08.2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 12.08.2024
Place: Chandigarh
UDIN: F002191F000952206

For **A. Arora & Co.,**
Company Secretaries

Ajay K. Arora
(Proprietor)
M No. 2191
C P No. 993
Peer Review Cert No. 2120/2022

COMPLIANCE CERTIFICATE

The Board of Directors
KDDL Limited,
Plot No. 3, Sector – III,
Parwanoo, Distt : Solan,
(H.P – 173220)

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2024 and that to the best of their knowledge and belief:

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

   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the financial year 2023-24 which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and 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.

D. We have indicated to the Auditors and the Audit committee that:

   1. There are no significant changes in internal control over financial reporting during the year;

   2. There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

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

Yashovardhan Saboo
Chairman & Managing Director
DIN : 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN : 035423900

Place : Gurugram
Datet : 14th August, 2024

CERTIFICATE ON CORPORATE GOVERNANCE UNDER SEBI (LODR) REGULATIONS, 2015

To

The Members of KDDL Limited

I have examined compliance by KDDL Limited (the Company) with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) relating to Corporate Governance requirements for the year ended 31st March,2024.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance under the Listing Regulations.

The examination is neither an audit nor an expression of opinion on the financial statements of the company or the Corporate Governance Report of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representation by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

MAHESH KHURANA
Practicing Company Secretaries
Membership No.: ACS.8633;
CP No.: 23104
UDIN: A008633F000982531

Place : Chandigarh
Date: 14th August, 2024

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

In accordance with regulation 34(3) read with clause D of Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, I hereby confirm that, all Directors and the Senior Management personnel of the Company have affirmed compliance with KDDL's respective Code of Conduct, for the financial year ended 31st March, 2024.

Date: 14th August, 2024
Place : Gurugram

For **KDDL Limited**

Yashovardhan Saboo
Chairman & Managing Director
DIN : 00012158

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of **KDDL Limited**

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of KDDL Limited ("the Company"), which comprise the Balance sheet as at 31st March 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2024. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of Investments in Kamla International Holdings SA and Pylania SA (subsidiaries of the Company) (*as described in Note 46(a) of the standalone Ind AS financial statements*)	
Impairment indicators were identified by the management on the investments in Kamla International Holdings SA and Pylania SA. As a result, an impairment assessment was required to be performed by the Company by comparing the carrying value of these investments to their recoverable amount to determine whether an impairment was required to be recognised. For the purpose of the above impairment testing, value in use has been determined by forecasting and discounting future cash flows. Furthermore, the value in use is highly sensitive to changes in some of the inputs used for forecasting the future cash flows. Further, the determination of the recoverable amount of the investments in Kamla International Holdings SA and Pylania SA involved judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these investments. Accordingly, the impairment of investments in Kamla International Holdings SA and Pylania SA was determined to be a key audit	Our audit procedures amongst others included the following: • We assessed and tested management's controls over the assessment of the carrying value of Investment, property, plant and equipment and other non-current assets to assess whether any asset impairment was required. • We evaluated the Company's valuation methodology applied in determining the recoverable amount. In making this assessment, we also assessed the objectivity and independence of Company's specialists involved in the process. • We evaluated the assumptions around the key drivers of the cash flow forecasts including estimated reserve, discount rates, expected growth rates and terminal growth rates used. • We also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used with particular focus on drivers of the growth rates, margins and discount rate used in the impairment models.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matter
matter in our audit of the standalone Ind AS financial statements. Investment in aforesaid subsidiaries as on 31st March, 2024 is of Rs. 268.12 lacs (net of impairment allowance of Rs. 1957.48 lacs).	• We tested the arithmetical accuracy of the model. • We assessed the adequacy of the disclosures included at Note 46(a) and other relevant disclosures including significant accounting judgements, estimates and assumptions made in the standalone Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with

reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);
   (g) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure 2"** to this report;
   (h) In our opinion, the managerial remuneration for the year ended 31st March, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,

as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 36 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 46(c) to the standalone Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 45 to the standalone Ind AS financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("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 that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act. Also, as stated in note 35(ii) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for (a) direct changes to data when using certain access rights and also for certain changes made using privileged/ administrative access rights, and (b) other software used to maintain books of accounts for two units of the Company, as described in note 46(b) to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of above said accounting software.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921
UDIN: 24087921BKAQDC8095

Place of Signature: New Delhi
Date: 14st May, 2024

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR AUDIT REPORT OF EVEN DATE

Re: KDDL Limited ("the Company")

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 state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) Property, plant and equipment have been physically verified by the management during the year under a regular programme of verification in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(i) (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note 3 to the standalone Ind AS financial statements included in property, plant and equipment are held in the name of the Company. However, for one leasehold land of Rs. 5.67 Lacs situated at Parwanoo, the Company is in process of completing formalities for transferring the title deed in its own name. Currently, the lease agreement is in the name of M/s Himanchal Fine Blanks Limited which got amalgamated with the Company in January 2013.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31st March 2024.

(i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. No discrepancies of 10% or more were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at year end and no discrepancies of 10% or more were noticed in respect of such confirmations.

(ii) (b) As disclosed in Note 17 to the standalone Ind AS financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) (a) During the year, the Company has provided loans, advances in the nature of loans, stood guarantee or provided security to companies and employees as follows:

Amount (Rs. in Lacs)

Particulars	Loans	Guarantees
Aggregate amount of loans/Guarantees provided during the year		
- Subsidiaries	-	1,698.22
- Employees	167.63	-
Balance outstanding as at balance sheet date in respect of above loans/ Guarantees		
- Subsidiaries	-	1,698.22
- Employees	152.99	-

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to Limited Liability Partnerships or any other parties.

(iii) (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(iii) (c) The Company has granted loans during the year employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(iii) (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(iii) (e) There were no loans or advance in the nature of loan granted to companies or other parties which were fallen due during the year, those have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

ANNEXURE 1 (Contd.)

(iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to any Company or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal. Further, the Company has not accepted any amounts which are deemed to be deposits during the year and accordingly, the provisions of clause 3(v) to that extent are not applicable to the Company and hence not commented upon.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of precision components, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same. Further, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for other products of the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Unpaid amount (Rs. in Lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax, 1961	Disallowance u/s 14 A	1.43	AY 2009 – 2010	ITAT, New Delhi
Income Tax, 1961	Transfer pricing adjustment	71.02	AY 2012 – 2013	ITAT, New Delhi
Income Tax, 1961	Disallowance u/s 43B	39.38	AY 2018 – 2019	Intimation u/s Section 143(1)
Income Tax, 1961	Disallowance u/s 36(1)	2.91	AY 2019 – 2020	CIT (Appeals)
Income Tax, 1961	Disallowance u/s 43B	37.35	AY 2023 – 2024	CIT (Appeals)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) Term loans were applied for the purpose for which the loans were obtained by the Company.

(ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) On an overall examination of the 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.

ANNEXURE 1 (Contd.)

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(xii) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

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

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(xvi) (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 44 to the standalone Ind AS financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 31(b) to the standalone Ind AS financial statements.

ANNEXURE 1 (Contd.)

(xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 31(b) to the standalone Ind AS financial statements.

(xxi) The requirement to report on clause 3(xxi) of the Order is not applicable to the standalone Ind AS financial statements of the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921
UDIN: 24087921BKAQDC8095

Place of Signature: New Delhi
Date: 14th May 2024

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF KDDL LIMTED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to standalone Ind AS financial statements of KDDL Limited ("the Company") as of 31st March 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone Ind AS financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE IND AS FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS 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 Ind AS

ANNEXURE 2 (Contd.)

financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta

Partner

Place of Signature: New Delhi

Membership Number: 87921

Date:14th May 2024

UDIN: 24087921BKAQDC8095

STANDALONE BALANCE SHEET

AS AT 31ST MARCH 2024

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Note	As at 31st March 2024	As at 31st March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	10,177.89	10,292.41
Capital work-in-progress	3	3,432.35	940.20
Right-of-use assets	41	979.44	776.99
Investment property	41	12.72	-
Intangible assets	4	20.95	22.54
Intangible asset under development	4	0.90	-
Financial assets			
- Investments	5	13,758.71	14,612.84
- Loans	6	1,401.25	1,320.69
- Other financial assets	6A	471.91	328.39
Income tax assets (net)	7	286.89	343.46
Other non-current assets	8	333.17	391.25
Total non-current assets		**30,876.18**	**29,028.77**
Current assets			
Inventories	9	4,569.96	3,908.02
Financial assets			
- Trade receivables	10	5,150.55	6,001.82
- Cash and cash equivalents	11	13,605.11	505.04
- Other bank balances	12	591.72	710.07
- Loans	6	99.42	61.30
- Other financial assets	13	820.65	327.41
Other current assets	14	859.32	797.86
Total current assets		**25,696.73**	**12,311.52**
Total assets		**56,572.91**	**41,340.29**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,262.42	1,262.42
Other equity	16	38,445.53	24,060.57
Total equity		**39,707.95**	**25,322.99**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	17	3,213.69	3,964.18
- Lease liabilities	41	293.73	127.43
- Other financial liabilities	18	149.03	157.37
Provisions	19	-	-
Deferred tax liabilities (net)	20	505.71	447.12
Total non-current liabilities		**4,162.16**	**4,696.09**
Current liabilities			
Financial liabilities			
- Borrowings	17	3,555.56	4,015.23
- Lease liabilities	41	150.44	178.45
- Trade payables	21		
- total outstanding dues of micro enterprises and small enterprises		175.49	108.10
- total outstanding dues of creditors other than micro enterprises and small enterprises		2,149.32	2,579.65
- Other financial liabilities	18	2,346.20	1,865.61
Other current liabilities	22	3,135.65	1,779.10
Provisions	19	620.12	675.80
Current tax liabilities (net)	23	570.02	119.27
Total current liabilities		**12,702.80**	**11,321.21**
Total liabilities		**16,864.96**	**16,017.30**
Total equity and liabilities		**56,572.91**	**41,340.29**
Material accounting policies	2		
Notes to the standalone Ind AS financial statements	3-55		

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI firm registration no.: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

Place: New Delhi
Date: 14th May 2024

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole Time Director and Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 14th May 2024

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2024

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Note	Year ended 31st March 2024	Year ended 31st March 2023
Revenue from operations	24	35,062.51	30,480.61
Other income	25	20,307.10	5,880.41
Total income		**55,369.61**	**36,361.02**
EXPENSES			
Cost of raw materials consumed	26	8,274.56	7,756.52
Changes in inventories of finished goods, work-in-progress and scrap	27	(104.14)	(159.05)
Employee benefits expenses	28	9,155.52	10,159.86
Finance costs	29	885.07	851.00
Depreciation and amortisation expense	30	1,385.70	1,271.03
Other expenses	31	10,371.87	7,557.88
Total expenses		**29,968.58**	**27,437.24**
Profit before income tax		**25,401.03**	**8,923.79**
Income tax expense:	32		
- Current tax		3,415.48	2,065.63
- Current tax for earlier years		(78.01)	10.98
- Deferred tax (credit)		(5.87)	(61.61)
- Deferred tax (credit)/charge for earlier years		64.47	(14.34)
Total income tax expense		**3,396.07**	**2,000.66**
Profit for the year		**22,004.96**	**6,923.13**
Other comprehensive income / (expense)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit (liability) / asset		(120.09)	(21.45)
Income tax on remeasurement of defined benefit asset /(liability)		30.22	5.40
Other comprehensive income/ (expense) for the year (net of income tax)		**(89.87)**	**(16.05)**
Total comprehensive income for the year		**21,915.09**	**6,907.08**
Earnings per share [nominal value of share Rs. 10 (previous year Rs. 10)]			
Basic (Rs.)	33	175.52	54.49
Diluted (Rs.)		175.52	54.49
Material accounting policies	2		
Notes to the standalone Ind AS financial statements	3-55		

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI firm registration no.: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

Place: New Delhi
Date: 14th May 2024

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
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Sanjeev Kumar Masown
Whole Time Director and Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 14th May 2024

STANDALONE STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2024

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

A. EQUITY SHARE CAPITAL

	Note	Number of shares	Amount
Balance as at 1st April 2022	**15**	**1,27,37,064**	**1,273.71**
Share capital bought back during the year		(1,99,947)	(19.99)
Balance as at 31st March 2023	**15**	**1,25,37,117**	**1,253.72**
Issue of share capital during the year		-	-
Balance as at 31st March 2024		**1,25,37,117**	**1,253.72**

B. OTHER EQUITY

	Reserves and surplus					Total
	Securities premium	General reserve	Retained earnings	Capital Redemption Reserve	Capital reserve (on amalgamation)	
Balance as at 1st April 2022	**11,778.73**	**2,776.20**	**5,519.97**	**-**	**300.00**	**20,374.89**
Total comprehensive income for the year ended 31st March 2023						
Profit for the year	-	-	6,923.13	-	-	6,923.13
Other comprehensive income for the year (net of income tax)	-	-	(16.05)	-	-	(16.05)
Total comprehensive income for the year	**-**	**-**	**6,907.08**	**-**	**-**	**6,907.08**
Buy back of equity shares	(2,080.00)	-	(19.99)	19.99	-	(2,080.00)
Expenses for buy back of equity shares (Net of tax)	-	-	(23.69)	-	-	(23.69)
Dividend (Refer to Note 35)	-	-	(632.85)	-	-	(632.85)
Tax on buy back of equity shares	-	-	(484.86)	-	-	(484.86)
Balance as at 31st March 2023	**9,698.73**	**2,776.20**	**11,265.65**	**19.99**	**300.00**	**24,060.57**
Total comprehensive income for the year ended 31st March 2024						
Profit for the year	-	-	22,004.96	-	-	22,004.96
Other comprehensive income for the year (net of income tax)	-	-	(89.87)	-	-	(89.87)
Total comprehensive income for the year	**-**	**-**	**21,915.09**	**-**	**-**	**21,915.09**
Expenses for buy back of equity shares (Net of tax)	-	-	(7.86)	-	-	(7.86)
Dividend (Refer to Note 35)	-	-	(7,522.27)	-	-	(7,522.27)
Balance as at 31st March 2024	**9,698.73**	**2,776.20**	**25,650.61**	**19.99**	**300.00**	**38,445.53**

Material accounting policies	2
Notes to the standalone Ind AS financial statements	3-55

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI firm registration no.: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

Place: New Delhi
Date: 14th May 2024

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole Time Director and Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 14th May 2024

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2024

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2024	Year ended 31st March 2023
Cash flow from operating activities		
Profit before income tax	25,401.03	8,923.79
Adjustments for:		
Depreciation and amortisation expenses	1,385.70	1,271.03
Liabilities/ provision no longer required written back	(11.79)	(0.27)
Provision for bad and doubtful debts no longer required written back	(1.78)	(4.19)
Net loss/(gain) on sale of property, plant and equipment	(7.24)	15.30
Interest income	(192.48)	(115.26)
Dividend income	(7,207.19)	(0.35)
Interest expense	879.79	815.14
Unrealised foreign exchange (gain)	79.69	(117.78)
Property, plant and equipment written off	37.33	33.14
Bad debts/ advances/deposits written off	5.55	5.19
Profit from Sale of Brands	-	(3,900.00)
Profit from Sale of non current Investments	(12,170.12)	(1,069.96)
Net change in fair value of financial assets (at FVTPL)	(0.59)	(0.68)
Impairment allowance for non current investment in subsidiaries	1,957.48	-
Change in fair value of derivative contracts	(94.24)	13.67
Operating cash flow before working capital changes	**10,061.13**	**5,868.77**
Changes in working capital:		
(Increase)/Decrease in loans	(88.16)	11.94
(Increase) in other non-current and other current financial assets	(520.22)	(240.31)
(Increase)/Decrease in other non-current and other current assets	(72.58)	158.45
(Increase) in inventories	(661.94)	(1,117.64)
Decrease/(Increase) in trade receivables	730.72	(1,444.84)
(Decrease)/Increase in provisions	(175.77)	306.24
(Decrease)/Increase in trade payables	(344.60)	642.66
Increase in other financial liabilities	484.68	397.49
Increase in other current liabilities	1,358.99	1,393.75
Cash generated from operating activities	**10,772.25**	**5,976.51**
Income tax (paid), net	(2,799.93)	(1,955.57)
Net cash generated from operating activities (A)	**7,972.32**	**4,020.94**
Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets (including capital advances)	(3,600.04)	(2,935.12)
Proceeds from sale of property, plant and equipment and intangible assets	23.27	2,614.63
Loan given to Subsidiary	-	(1,186.96)
Proceeds from sale of non current Investments	12,231.36	1,083.96
Payment for purchase of non current investments in subsidiaries	(1,164.00)	(846.70)
Movement in other bank balances	117.14	(383.47)
Interest received	162.89	42.36
Dividend received	7,207.19	0.35
Net cash (used) in investing activities (B)	**14,977.80**	**(1,610.94)**
Cash flow from financing activities		
Buy back of Equity Shares	-	(2,100.00)
Expenses for buy back of equity shares (Net of tax)	(7.86)	(23.69)
Tax on buy back of Equity shares	-	(484.86)
Proceeds from non-current borrowings	1,132.19	1,729.61
Repayment of non-current borrowings	(1,652.87)	(2,363.28)
Repayments of/proceeds from current borrowings (net)	(689.48)	1,773.31

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2024	Year ended 31st March 2023
Principal portion of lease payments	(339.78)	(246.57)
Interest portion of lease payments	(74.05)	(46.99)
Interest expense paid	(724.86)	(817.09)
Dividend paid	(7,493.35)	(661.77)
Net cash (used in) financing activities (C)	**(9,850.06)**	**(3,241.33)**
Net increase in cash and cash equivalents (A+B+C)	**13,100.07**	**(831.33)**
Cash and cash equivalents at the beginning of the year (see below)	**505.04**	**1,336.37**
Cash and cash equivalents at the end of the year (see below)	**13,605.11**	**505.04**

Notes:

1. Components of cash and cash equivalents:

Balances with banks in current accounts	73.08	219.74
Balances with banks in cash credit accounts	619.86	74.60
Deposits with original maturity of less than three months	12,901.00	205.00
Cash on hand	11.17	5.70
	13,605.11	**505.04**

2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on “Statement of Cash Flows”. Also, refer to note 2.2(s).

3. Refer note 17 for reconciliation of movements of liabilities to cash flows arising from financing activities.

Significant accounting policies	2
Notes to the standalone Ind AS financial statements	3-55

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI firm registration no.: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

Place: New Delhi
Date: 14th May 2024

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole Time Director and Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 14th May 2024

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2024

CIN: L33302HP1981PLC008123

1. Corporate information

KDDL Limited ('the Company'), is a public limited company domiciled in India and was incorporated in January 1981 under the provisions of the Companies Act applicable in India. The Company is listed on BSE Limited and National Stock Exchange (NSE) of India Limited in India. The registered office of the Company is located at Plot No.3, Sector III, Parwanoo, Himachal Pradesh, India – 173220. The Corporate Identification Number (CIN) of the Company is L33302HP1981PLC008123.

The Company is primarily engaged in the business of manufacturing dials, watch hands and precision components. Currently, the Company has its manufacturing facilities, at Parwanoo (Himachal Pradesh) and Derabassi (Punjab) – dial manufacturing, Bengaluru (Karnataka) - hands and precision components manufacturing. The Company has initiated the process of setting up of a new plant for manufacturing steel bracelets for watches at Bangalore (Karnataka).

The standalone Ind AS financial statements were approved for issue in accordance with a resolution of the directors on 14th May 2024.

2. Material accounting policies

2.1 Basis of preparation

These standalone Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone Ind AS financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

The standalone Ind AS financial statements provide comparative information in respect of the previous year.

Basis of measurement

The standalone Ind AS financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value as required under relevant Ind AS.

- Certain financial assets and liabilities are measured at fair value (Refer accounting policy regarding financial instruments in Note o)
- Defined benefit plans- plan assets are measured at fair value

2.2 Summary of material accounting policies

a. Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b. Investment in subsidiaries, associate and joint venture

A subsidiary is an entity that is controlled by another entity.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries, associates and joint ventures are accounted at cost less impairment.

Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

c. Property, plant and equipment ('PPE')

Recognition and measurement

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located, if the recognition criteria is met. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost of acquisition or construction which includes capitalised finance costs less accumulated depreciation and accumulated impairment loss, if any.

Recognition criteria

The cost of an item of property, plant and equipment is recognised as an asset if and only if,

(a) It is probable that future economic benefits associated with the item will flow to the entity, and

(b) The cost of the item can be measured reliably.

Capital work-in-progress comprises the cost of property, plant and equipment that are not ready for their intended use at the reporting date, net of accumulated impairment loss, if any. Advances paid towards acquisition of PPE outstanding at each balance sheet date, are shown under other non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised.

Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss.

Depreciation on items of PPE is provided as per rates corresponding to the useful life specified in Schedule II to the Companies Act, 2013 read with related amendments. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Particulars	Useful life as per Schedule II	Management estimate of useful life
Buildings – factory	30 Years	30 Years
Roads	10 Years	10 Years
Plant and equipment*	15 Years	3- 15 Years
Furniture and fittings	10 Years	10 Years
Office equipment	5 Years	5 Years
Computers	3 Years	3 Years
Vehicles	8 Years	5- 8 Years

Depreciation on improvements carried out on buildings taken on lease is provided over the period of the lease or useful life of assets, whichever is lower. Refer lease policy at point 'n' below for period of leases.

* The Company, based on technical assessment made by technical expert and management estimate, depreciates tools included in plant and equipment over estimated useful lives of 3 and 15 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

CIN: L33302HP1981PLC008123

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use and disposal. Any gain or loss arising on derocogntion of the asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

d. Intangible assets

Acquired Intangible

Intangible assets that are acquired by the Company are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation expense in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Technical know-how 4 Years
- Software 6 Years

Amortisation method, useful life and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Derecognition

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use and disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible asset under development that are acquired by the Company comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset

The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

e. Inventories

Inventories are valued at the lower of cost and net realisable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Traded Goods	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Scrap	Net realisable value

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

f. Retirement and other employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., salaries and wages and bonus etc., if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards employee provident fund and employee state insurance scheme ('ESI') to Government administered scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Certain employees of the Company are also participants in the superannuation plan ("the Plan"), a defined contribution plan. The Company makes contributions to Life Insurance Corporation of India (LIC). Contribution made by the Company to the plan during the year is charged to Statement of Profit and Loss. The social security costs, paid for the overseas employees, are in the nature of defined contribution schemes as per the laws of that country.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The administration of the gratuity scheme has been entrusted to the Life Insurance Corporation of India ('LIC'). The Company's net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability i.e. Gratuity, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). Remeasurements are not reclassified to profit or loss in subsequent periods. The Company determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then- net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Compensated absences

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Such obligation such as those related to compensate absences is measured on the basis of an annual independent actuarial valuation using the projected unit cost credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise. The Company presents the leave liability as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

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g. Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the time of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future losses are not provided for.

h. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognised when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

i. Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

j. Revenue from contract with customer

Revenue from contracts with customers is recoganised when the control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangement because it typically controls goods or services before transferring them to the customers.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Also, in determining the transaction price for the sale of products, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

The Company disaggregates revenue from contracts with customers by geography.

Sale of services

The Company offers services in fixed term contracts and short term arrangement. Revenue from service is recognised when obligation is performed or services are rendered.

Export benefits

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Contract balances

Trade Receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section of Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

k. Recognition of interest income or expense

Interest income or expense is accrued on a time basis and recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

l. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m. Taxes

Income tax comprises current and deferred tax. It is recognised in Profit or Loss except to the extent that it relates to a business combination or an item recognised directly in equity or in other comprehensive income.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current income tax assets and liabilities are measured at the amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences and in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each

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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.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the standalone financial statements and in other management reports.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax liabilities and assets and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authorities.

Sales/value added taxes/GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

n. Leases

Company as a lessee

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

Right-of-use assets

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

Plant and equipment	3- 5 Years
Building	1- 10 Years
Leasehold land	99 Years

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 Impairment of non-financial assets.

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.

Short term leases and leases of low-value assets

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

Company as a lessor

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

Investment property

Investment property comprises of the sub lease portion of the right-of-use asset which is initially measured at cost. Subsequent to initial recognition, investment property is stated at cost less depreciation less impairment loss, if any. The cost includes an equivalent amount as reduced from the right-of-use asset at the time of commencement of the lease. The Company depreciates the investment property over the period of sub lease term.

o. 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, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are 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 four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if 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, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

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Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such adoption is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable adoption to present in other comprehensive income subsequent changes in the fair value. The Company makes such adoption on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flow due to the Company in accordance with the contract and the cash flow that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at the amortised cost is deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtors do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedure for recovery of amounts due.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss (FVTPL)
- Financial liabilities at amortised cost (loans and borrowings)

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

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

Derivative financial instruments

The Company uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right

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to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

p. Impairment of non-financial assets

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine if there is indication of any impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash flows are grouped together into cash generating units (CGUs). Each CGU represents the smallest Company of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of as CGU (or an individual asset) is the higher of its value in use and fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

q. Operating Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

r. Cash and cash equivalents

Cash and cash equivalents in the balance sheet include cash at banks and on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

s. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item 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.

t. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

u. Cash dividend

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

v. Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

w. Foreign currencies

The standalone Ind AS financial statements are presented in INR, which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash.

Transactions and balances

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The standalone financial statements are presented in INR. Functional currency is the currency of the primary economic environment in which the Company operates and is normally the currency in which the Company primarily generates and expends cash.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

x. Measurement of Fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised 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 and 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 liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

CIN: L33302HP1981PLC008123

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Further information about the assumptions made in measuring fair values used in preparing these standalone financial statements is included in the respective notes.

2.3 Changes in accounting policies and disclosures

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31st March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 01st April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies – Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's standalone financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 01st April 2022.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires 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. Uncertainty 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.

a) Determining the lease term of contracts with renewal and termination options – Company as lessee

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. The Company based its assumptions and estimates on parameters available when the 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.

Leases – Estimating the incremental borrowing 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 estimation 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 market interest rates) when available and is required to make certain entity-specific estimates.

b) Defined benefit plans

The present value of the gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates for the respective countries.

c) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

d) Useful life of Property, plant and equipment and intangibles

The management estimates the useful life and residual value of property, plant and equipment and other intangible assets. These assumptions are reviewed at each reporting date.

e) Contingencies

Refer 36 Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources;

f) Impairment of financial assets

Refer note 2.2(b) and 2.2(o) for the policy to estimate the impairment of financial assets.

g) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

Refer note 2.2(p) for the policy to estimate the impairment of non-financial assets.

h) Leases – Estimating the incremental borrowing 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 estimation 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 market interest rates) when available and is required to make certain entity-specific estimates.

2.5 Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the standalone financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are Useful life of property, plant and equipment and Impairment of non-financial assets.

(All amounts are in Indian Rupees Lacs, except for share data)

3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

Gross carrying amount

	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Furniture and fittings	Office equipment*	Vehicles	Total	Capital work-in-progress
Balance as at 1st April 2022	78.60	4,092.12	130.16	8,679.40	365.08	326.80	427.20	14,099.37	227.33
Additions	-	532.10	-	828.21	97.63	114.18	482.41	2,054.54	1,520.29
Disposals	-	-	-	(49.31)	(0.51)	(5.11)	(111.24)	(166.16)	(807.42)#
Balance as at 31st March 2023	**78.60**	**4,624.22**	**130.16**	**9,458.30**	**462.20**	**435.87**	**798.37**	**15,987.74**	**940.20**
Balance as at 1st April 2023	78.60	4,624.22	130.16	9,458.30	462.20	435.87	798.37	15,987.74	940.20
Additions [refer to note (c) below]	-	129.97	-	735.52	58.03	40.24	85.98	1,049.74	3,377.91
Disposals	-	-	(1.88)	(110.69)	(0.46)	(9.41)	(33.49)	(155.93)	(885.76)#
Balance as at 31st March 2024	**78.60**	**4,754.19**	**128.28**	**10,083.13**	**519.77**	**466.70**	**850.86**	**16,881.55**	**3,432.35**
Accumulated depreciation									
Balance as at 1st April 2022	-	573.38	55.19	3,625.92	181.14	204.53	140.97	4,781.12	-
Depreciation for the year	-	149.43	36.00	663.37	27.33	59.10	82.04	1,017.27	-
Disposals	-	-	-	(15.60)	(0.38)	(4.22)	(82.89)	(103.09)	-
Balance as at 31st March 2023	**-**	**722.81**	**91.19**	**4,273.69**	**208.09**	**259.41**	**140.12**	**5,695.29**	-
Balance as at 1st April 2023	-	722.81	91.19	4,273.69	208.09	259.41	140.12	5,695.29	-
Depreciation for the year	-	164.74	21.87	694.62	37.32	66.48	125.92	1,110.95	-
Disposals	-	-	(1.88)	(67.47)	(0.35)	(6.44)	(26.43)	(102.58)	-
Balance as at 31st March 2024	**-**	**887.55**	**111.18**	**4,900.84**	**245.06**	**319.45**	**239.61**	**6,703.66**	**-**
Carrying amounts (net)									
At 31st March 2023	**78.60**	**3,901.41**	**38.97**	**5,184.61**	**254.11**	**176.46**	**658.25**	**10,292.41**	**940.20**
At 31st March 2024	**78.60**	**3,866.64**	**17.10**	**5,182.29**	**274.71**	**147.25**	**611.25**	**10,177.89**	**3,432.35**

Represents capital work in progress capitalised during the current year and previous year.

*Including block of computers

Notes:

a. Refer to Note 17 for information on property, plant and equipment that are pledged as security by the Company.

b. Refer to Note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c. The Company has capitalised the following expense to the cost of property, plant and equipment/capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

d. Assets given on lease having net carrying value of Rs. 45.78 (31st March 2023: RS. 50.90)

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

	31st March 2024	31st March 2023
Raw Material Consumed	158.41	1.31
Salaries and Wages	363.59	36.15
Contributions to provident and other funds	49.71	0.49
Staff welfare expenses	42.23	2.81
Stores and spares consumed	91.79	-
Power, fuel, water and electricity charges	37.94	0.72
Contractual labour expenses	76.05	1.35
Insurance	4.86	-
Rent	199.64	12.53
Rates and Taxes	7.16	3.04
Repair & Maintenance- Building	6.04	1.36
Repair and maintenance- Others	40.87	3.93
Legal and professional fees	85.75	13.45
Travelling and conveyance	87.97	11.34
Bank Charges	6.25	2.54
Printing and stationery	5.33	-
Communication expenses	6.67	1.17
Security service charges	21.11	3.58
Miscellaneous expenses	23.16	3.03
	1,314.56	**98.80**

Capital work in progress (CWIP) Ageing Schedule

As at 31st March 2024	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	2,643.91	682.94	-	10.98	3,337.83
Material purchased for inhouse development of tools	59.04	10.92	4.93	19.63	94.52
Projects temporarily suspended	-	-	-	-	-
Total	**2,702.95**	**693.86**	**4.93**	**30.61**	**3,432.35**

As at 31st March 2023	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	824.21	12.52	1.18	13.13	851.04
Material purchased for inhouse development of tools	49.13	11.86	6.25	21.92	89.16
Projects temporarily suspended	-	-	-	-	-
Total	**873.34**	**24.38**	**7.43**	**35.05**	**940.20**

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2023-24.

4 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

Gross carrying amount

	Technical know-how	Softwares	Total	Intangible asset under development
Balance as at 1st April 2022	23.03	148.65	171.68	1.91
Additions- acquired	-	25.77	25.77	7.70
Disposals	-	-	-	(9.61)
Balance as at 31st March 2023	**23.03**	**174.42**	**197.45**	**-**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

	Technical know-how	Softwares	Total	Intangible asset under development
Balance as at 1st April 2023	23.03	174.42	197.45	-
Additions- acquired	-	10.28	10.28	9.40
Disposals	-	-	-	(8.50)
Balance as at 31st March 2024	**23.03**	**184.70**	**207.73**	**0.90**
Accumulated amortisation				
Balance as at 1st April 2022	20.73	141.44	162.17	-
Amortisation for the year	2.30	10.44	12.74	-
Disposals	-	-	-	-
Balance as at 31st March 2023	**23.03**	**151.88**	**174.91**	**-**
Balance as at 1st April 2023	23.03	151.88	174.91	-
Amortisation for the year	-	11.87	11.87	-
Disposals	-	-	-	-
Balance as at 31st March 2024	**23.03**	**163.75**	**186.78**	**-**
Carrying amounts (net)				
At 31st March 2023	**-**	**22.54**	**22.54**	**-**
At 31st March 2024	**-**	**20.95**	**20.95**	**0.90**

Intangible assets under development (IAUD) Ageing Schedule

As at 31st March 2024	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	0.90	-	-	-	0.90
Projects temporarily suspended	-	-	-	-	-
Total	**0.90**	**-**	**-**	**-**	**0.90**

As at 31st March 2023	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

5 INVESTMENTS

	Note	As at 31st March 2024	As at 31st March 2023
Non-current investments			
Quoted investments			
Investment in equity shares (at cost)			
Subsidiary companies (at cost):			
- Ethos Limited 11,513,877 (31st March 2023: 11,979,507) equity shares of Rs. 10 each fully paid up	(a), (b), (c)	11,720.27	11,371.40
Unquoted investments			
Investment in equity shares (at cost)			
Subsidiary companies (at cost):			
- Pylania SA, Switzerland 7,550 (31st March 2023: 7,550) equity shares of Swiss Franc (CHF) 100 each fully paid up		281.24	281.24
- Mahen Distribution Limited 6,005,700 (31st March 2023: 6,005,700) equity shares of Rs 10 each fully paid up		936.00	936.00
- Kamla International Holdings SA, Switzerland 26,000 (31st March 2023: 26,000) equity shares of Swiss Franc (CHF) 100 each fully paid up		1,944.36	1,944.36

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

	Note	As at 31st March 2024	As at 31st March 2023
- Kamla Tesio Dials Limited 999,930 (31st March 2023: 699,930) equity shares of Rs. 10 each fully paid up		62.94	50.00
- Silvercity Brands AG 1,500,000 (31st March 2023: Nil) equity shares of Swiss Franc (CHF) 1 each, partly paid up of Swiss Franc (CHF) 0.50 each	(d)	740.94	-
		15,685.75	**14,583.00**
Other Companies (Fair value through profit or loss):			
- Karolview Developers Private Limited 500,000 (31st March 2023: 500,000) equity shares of Rs. 10 each fully paid up		43.55	43.65
- Shivalik Waste Management Limited 17,500 (31st March 2023: 17,500) equity shares of Rs. 10 each fully paid up		6.43	5.74
		49.98	**49.39**
		15,735.73	**14,632.38**
Impairment in value of investments			
Subsidiary companies:			
- Kamla Tesio Dials Limited		19.54	19.54
- Pylania SA, Switzerland		85.67	-
- Kamla International Holdings SA, Switzerland		1,871.81	-
		1,977.02	**19.54**
Total non-current investments		**13,758.71**	**14,612.84**
Aggregate book value of quoted investments		11,720.27	11,371.40
Aggregate Market value of quoted investments		2,97,915.81	1,15,188.95
Aggregate value of unquoted investments		2,038.44	3,241.44
Aggregate amount of impairment in value of investments		1,977.02	19.54

Notes:

(a) This includes Rs. 14.51 (31st March 2023: Rs. 14.51) which represents fair value of financial guarantees given to Ethos Limited.

(b) This includes Rs. 36.07 (31st March 2023: Rs. 36.07) which represents dividend on investment in preference shares of Ethos Limited which has been waived by the Company and is considered as quasi equity contribution as it is no longer payable by Ethos Limited.

(c) During the year, The Company has bought 24,370 equity shares of Ethos Limited, (a subsidiary company) for a consideration of Rs. 397.87 Lacs. Also, the Company has sold 4,90,000 equity shares of Ethos Limited for a consideration of Rs. 12,244.90 Lacs.

(d) During the year, the Company has invested Rs. 740.94 (CHF 7,87,500) in form of acquisition of 15,00,000 equity shares of CHF 1 each of Silvercity Brands AG.

(e) During the year, the Company has further acquired 3,00,000 equity shares for Rs. 12.94 of Kamla Tesio Dials Limited.

6 LOANS

(Unsecured and considered good)

	Non-Current	
	As at 31st March 2024	As at 31st March 2023
Loan to related party (refer to note 38)	1,275.12	1,244.60
Loan to employees		
- to related party (refer to note 38)	73.21	4.96
- to others	52.92	71.13
	1,401.25	**1,320.69**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

	Current	
	As at 31st March 2024	As at 31st March 2023
Loan to employees		
- to related party (refer to note 38)	21.47	12.01
- to others	77.95	49.29
	99.42	**61.30**

6A Other financial assets

(Unsecured and considered good)

	Non-Current	
	As at 31st March 2024	As at 31st March 2023
Security deposits	471.91	328.39
	471.91	**328.39**

7 INCOME TAX ASSET (NET)

	As at 31st March 2024	As at 31st March 2023
Advance income-tax (net of provision)	286.89	343.46
	286.89	**343.46**

8 OTHER NON-CURRENT ASSETS

(Unsecured and considered good)

	As at 31st March 2024	As at 31st March 2023
Capital advances	297.68	366.88
Prepaid expenses	35.49	24.37
	333.17	**391.25**

9 INVENTORIES

(at lower of cost and net realisable value)

	As at 31st March 2024	As at 31st March 2023
Raw materials*#	2,854.10	2,403.74
Work-in-progress	1,062.61	915.44
Finished goods	70.72	124.46
Stores and spares	571.82	464.38
Scrap	10.71	-
	4,569.96	**3,908.02**

*Includes goods-in-transit- raw materials amounting to Rs. 141.87 (Previous year: Rs. 40.71)

#After Adjusting provision for inventory made during the year amounting to Rs. 86.46 (Previous year: Rs. 72.26)

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

10 TRADE RECEIVABLES

(Unsecured, considered good, unless otherwise stated)

	As at 31st March 2024	As at 31st March 2023
Trade receivables from related parties (refer to note 38)	305.86	1,014.37
Trade receivables from others	4,845.69	4,990.23
Less : Allowance for expected credit loss	(1.00)	(2.78)
	5,150.55	**6,001.82**

	As at 31st March 2024	As at 31st March 2023
Break-up of security details		
Trade receivable considered good- unsecured	5,150.55	6,001.82
Trade receivables which have significant increase in credit risk	-	-
Trade receivable- credit impaired	1.00	2.78
Total	**5,151.55**	**6,004.60**
Allowance for expected credit loss	(1.00)	(2.78)
Total trade receivables	**5,150.55**	**6,001.82**

Trade receivables ageing schedule

As at 31st March 2024	Outstanding for following periods from the date of transaction					
	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	Total
Undisputed Trade Receivable- considered good	5,029.53	120.70	0.32	-	-	5,150.55
Udisputed Trade Receivable- which have significant increase in credit risk	-	-	-	1.00	-	1.00
Undisputed Trade Receivable- credit impaired	-	-	-	-	-	-
Total	**5,029.53**	**120.70**	**0.32**	**1.00**	**-**	**5,151.55**

As at 31st March 2023	Outstanding for following periods from the date of transaction					
	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	Total
Undisputed Trade Receivable- considered good	5,839.06	145.61	17.15	-	-	6,001.82
Udisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable- credit impaired	-	-	1.00	-	1.78	2.78
Total	**5,839.06**	**145.61**	**18.15**	**-**	**1.78**	**6,004.60**

The Company's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in Note 34B.

11 CASH AND CASH EQUIVALENTS

	As at 31st March 2024	As at 31st March 2023
Balances with banks		
- in current accounts	73.08	219.74
- in cash credit accounts	619.86	74.60
Deposits with original maturity of less than three months	12,901.00	205.00
Cash on hand	11.17	5.70
	13,605.11	**505.04**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

12 OTHER BANK BALANCES

	Note	As at 31st March 2024	As at 31st March 2023
Deposit accounts with original maturity more than 3 months and maturing within 12 months from the reporting date	(a)	536.56	653.70
Balance in unclaimed dividend accounts		55.16	56.37
		591.72	**710.07**

Note:

(a) These deposits represent restricted bank deposits amounting to Rs. 536.56 (31st March 2023: Rs. 653.70) on account of deposits pledged as security for deposits from shareholders, bank guarantee and margin money.

13 OTHER FINANCIAL ASSETS

(Unsecured and considered good)

	As at 31st March 2024	As at 31st March 2023
Interest receivable from related party (refer to note 38)	75.51	57.64
Interest accrued but not due on deposits	38.88	27.16
Derivatives Financial instruments (Fair Value through statement of Profit and Loss)	90.00	3.05
Recoverable from related parties (refer to note 38)	22.73	34.77
Recoverable from / balance with government authorities	529.17	183.73
Recoverable from others	6.28	2.92
Security deposits	58.08	18.14
	820.65	**327.41**

14 OTHER CURRENT ASSETS

(Unsecured and considered good)

	As at 31st March 2024	As at 31st March 2023
Recoverable from / balance with government authorities	252.57	139.43
Advances for supply of goods and services (refer to note 38)	287.95	305.14
Advances to related parties	1.71	9.04
Advances to employees (refer to note 38)	154.08	85.93
Prepaid expenses	147.50	137.04
Advance payment for gratuity (refer to note 37)	-	100.42
Prespent CSR expenditure [refer to note 31(b)]	15.51	20.86
	859.32	**797.86**

15 EQUITY SHARE CAPITAL

(i) Details of share capital

	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs. 10 each	2,80,00,000	2,800.00	2,80,00,000	2,800.00
	2,80,00,000	**2,800.00**	**2,80,00,000**	**2,800.00**
Issued				
Equity shares of Rs. 10 each	1,27,11,397	1,271.14	1,27,11,397	1,271.14
	1,27,11,397	**1,271.14**	**1,27,11,397**	**1,271.14**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
Subscribed and paid up capital				
Equity shares of Rs. 10 each fully paid up	1,25,37,117	1,253.71	1,25,37,117	1,253.71
Forfeited equity shares of Rs.10 each	1,74,280	8.71	1,74,280	8.71
	1,27,11,397	**1,262.42**	**1,27,11,397**	**1,262.42**

(ii) Rights, preferences and restrictions attached to shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iii) Reconciliation of the shares outstanding at beginning and at the end of the year

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	1,25,37,117	1,253.71	1,27,37,064	1,273.71
Add: shares issued during the year	-	-	-	-
Less: Shares extinguished on buy back during the year (Refer to Note 48)	-	-	1,99,947	19.99
Balance at the end of the year	**1,25,37,117**	**1,253.71**	**1,25,37,117**	**1,253.71**

(iv) Details of Equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:

	As at 31st March 2024		As at 31st March 2023	
	Number of shares	% of equity shares held	Number of shares	% of equity shares held
Yashovardhan Saboo*	22,14,664	17.66%	22,67,407	18.09%
Rajendra Kumar Saboo (RKS JS Family Trust)	14,16,683	11.30%	14,16,683	11.30%
Pranav Shankar Saboo	8,16,632	6.51%	7,99,051	6.37%
Jupiter India Fund	4,69,849	3.75%	6,72,521	5.36%

*Including shares held under HUF

(v) Bonus shares, shares buyback and issue of shares for consideration other than in cash (during five years immediately preceding 31st March 2024)

During the five years immediately preceding 31st March 2024, no bonus shares have been issued. In relation to Buy back the Company bought back 1,99,947 equity shares for an aggregate amount of Rs. 2099.99 being 1.57% of the total paid up equity share capital at average price of Rs. 1050 per equity share. The equity shares bought back were extinguished on 14th February 2023.

Further, no shares have been issued for consideration other than cash except during the year ended 31st March 2020, 16,500 equity shares of Rs. 10 each was issued under employee stock option plans for which only exercise price had been received in cash.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

(vi) Equity shares of Rs. 10 each fully paid up held by

Promotors Shareholdings		As at 31st March 2024			As at 31st March 2023		
S. No.	Promoter's Name	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
1	Rajendra Kumar Saboo (HUF)	77,820	0.62%	0.00%	77,820	0.62%	0.01%
2	Yashovardhan Saboo (HUF)	-	0.00%	(0.44%)	55,052	0.44%	0.01%
3	Rajendra Kumar Saboo	1,591	0.01%	0.00%	1,591	0.01%	(3.97%)
4	Yashovardhan Saboo	22,14,664	17.66%	0.02%	22,12,355	17.65%	2.32%
5	Usha Devi Saboo	100	0.00%	0.00%	100	0.00%	0.00%
6	Anuradha Saboo	4,66,438	3.72%	0.14%	4,48,857	3.58%	0.15%
7	Asha Devi Saboo (Veena Kanoria Family Trust)	-	0.00%	(0.09%)	10,925	0.09%	(0.08%)
8	Satvika Saboo	1,68,909	1.35%	0.14%	1,51,328	1.21%	0.02%
9	Pranav Shankar Saboo	8,16,632	6.51%	0.14%	7,99,051	6.37%	0.10%
10	Vardhan Properties and Investment Private Limited	38,153	0.30%	0.02%	36,003	0.29%	0.00%
11	Dream Digital Technology Private Limited	29,415	0.23%	0.00%	29,415	0.23%	0.00%
12	Saboo Ventures LLP	65,915	0.53%	0.10%	52,840	0.42%	0.34%
13	Usha Devi Saboo (UDS JS Family Trust)	1,69,800	1.35%	0.00%	1,69,800	1.35%	0.02%
14	Rajendra Kumar Saboo (RKS JS Family Trust)	14,16,683	11.30%	0.00%	14,16,683	11.30%	0.31%
15	Swades Capital LLC	3,24,150	2.59%	0.00%	3,24,150	2.59%	0.04%
16	Rajendra Kumar Saboo (ASP Saboo Family Trust)	5,05,001	4.03%	0.00%	5,05,001	4.03%	4.03%
	Total	**62,95,271**	**50.20%**		**62,90,971**	**50.18%**	

16 OTHER EQUITY

(also refer to Statement of Changes in Equity)

(i) Securities premium

Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders. This will be utilised in accordance with the applicable provisions of the Companies Act, 2013.

(ii) General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the Statement of Profit and Loss.

(iii) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Remeasurements of defined benefit obligation comprises actuarial gains and losses and return on plan assets (excluding interest income).

(iv) Capital Reserve (on amalgamation)

Capital Reserve has been created pursuant to the scheme of amalgamation with Satva Jewellery and Design Limited approved by the Hon'ble National Company Law Tribunal.

(v) Capital Redemption Reserve

The Company has bought back 1,99,947 equity shares during the year. Accordingly, Section 69 of Companies Act, 2013 require to create capital redemption reserve equal to nominal value of shares bought back where the Company purchases its own shares out of free reserves or security premium account. Therefore, the Company has transferred the amount equal to nominal value to capital redemption reserve out of its free reserves.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

17 BORROWINGS

		Note	As at 31st March 2024	As at 31st March 2023
(i)	**Non-current borrowings**			
	Term loans			
	From banks (secured)	(a)	308.09	357.79
	From others (secured)	(b)	1,392.65	2,364.48
			1,700.74	**2,722.27**
	Deposits from shareholders and directors			
	Related parties (unsecured) (refer to note 38)	(c)		
	- From Directors		751.63	772.41
	- From Others		556.68	296.36
	From others (unsecured)	(c)	2,059.16	1,797.85
			3,367.47	**2,866.62**
	Total non-current borrowings (including current maturities)		**5,068.21**	**5,588.89**
	Less : Current maturities of non-current borrowings (refer to note 17(ii))		1,854.52	1,624.71
			3,213.69	**3,964.18**

Notes:

(a) - Vehicle loans from banks amounting to Rs. 308.09 (31st March 2023: Rs. 357.79) carrying interest rate in the range of 6.90% to 9.50% (previous year 6.90% to 9.50%) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of those loans. The loans are to be repaid as per the respective repayment schedule in equal monthly installments.

(b) - Term loan from Tata Capital Financial Services Limited amounting to Rs. Nil (31st March 2023: Rs. 117.27) carried interest rate equal to LTLR less 8.75% (presently 10.80%) (previous year 10.80%) was secured by way of exclusive charge by way of mortgage over the freehold land & building of the borrower situated at plot number 296 & 297 (South western Portion) 5th Main, 4th Phase, Peenya Industrial Area, Bengaluru 560058 (Karnataka). The loan is to be repaid in 52 monthly installments of Rs. 14.65 as per the repayment schedule in equal annual installments commencing from 30th July 2018. The last instalment was repaid on 20th November 2023.

- Term loan from Tata Capital Financial Services Limited amounting to Rs. Nil (31st March 2023: Rs. 18.77) carried interest rate equal to 10.80% (previous year 10.80%) is secured by way of exclusive charge by way of mortgage over the freehold land & building of the borrower situated at plot number 296 & 297 (South western Portion) 5th Main, 4th Phase, Peenya Industrial Area, Bengaluru 560058 (Karnataka). The loan was to be repaid in 4 monthly installments of Rs. 4.69 as per the repayment schedule in equal installments commencing from 20th August 2023. The last instalment was repaid on 20th November 2023.

- Term loan from Bajaj Finance Limited amounting to Rs. Nil (31st March 2023: Rs. 158.63) carried interest rate of 9.35% (previous year 9.35%) is secured by way of first pari passu charge over movable fixed assets of the Company (except for specific vehicles pledged against respective loans). The loan was to be repaid in 48 instalments of Rs.20.83 as per the repayment schedule in equal monthly installments commencing from 5th September 2019. The Last instalment was repaid on 5th December 2023.

- Term loan from Bajaj Finance Limited amounting to Rs. 222.07 (31st March 2023: Rs. 444.44) carrying interest rate of 9.35% (previous year 9.35%) is secured by way of first pari passu charge over movable fixed assets of the Company (except for specific vehicles pledged against respective loans). Also, it is secured by way of second pari passu charge over leasehold Land & building and Plant & machinery constructed at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 18 instalments of Rs. 55.55 as per the repayment schedule in equal quarterly installments commencing from 5th September 2021. The Last instalment would be paid on 5th March 2025.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

- Term loan from Bajaj Finance Limited amounting to Rs. 187.27 (31st March 2023: Rs. 357.83) carrying interest rate of 9.35% (previous year 9.35%) is secured by way of second pari passu charge over leasehold Land & building and Plant & machinery constructed at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru over movable fixed assets, current assets and movable fixed assets of the Company (except for specific vehicles pledged against respective loans). The loan is to be repaid in 48 instalments as per the repayment schedule commencing from 5th April 2022 with one year of moratorium from the drawdown. The last instalment would be paid on 5th March 2025.
- Term loan from Bajaj Finance Limited amounting to Rs. 961.00 (31st March 2023: Rs. 1234.56) carrying interest rate of 9.30% (previous year 9.30%) is secured by way of extention of charge over leasehold Land & building and Plant & machinery constructed at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 48 instalments as per the repayment schedule commencing from 5th January 2023 with one year of moratorium from the drawdown. The last instalment would be paid on 5th December 2026.
- Vehicle loans from Toyota Financial Services India Limited amounting to Rs. 22.31 (31st March 2023: Rs. 32.98) carrying interest rate of 7.43% (previous year 7.43% to 9.50%) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of the loan. The loan is to be repaid as per the repayment schedule in equal monthly installments.

(c) Deposits from shareholders and directors amounting to Rs. 3,367.47 (31st March 2023: Rs. 2,866.62) carrying interest rates in the range of 9.00% to 11.25% (previous year 9.50% to 11.25%) per annum are repayable in 1 years to 3 years from the respective dates of deposit.

	Note	As at 31st March 2024	As at 31st March 2023
(ii) Current borrowings			
Loans repayable on demand	(a)	237.55	1,032.67
From banks (secured)			
Liability against utilisation of bill discounting facility			
From bank (secured)	(b)	261.15	580.99
Deposit from shareholders and directors (unsecured)			
Related parties (unsecured) (refer to note 38)			
- From Directors	(c)	297.16	182.96
- From Others	(c)	315.60	215.49
From others (unsecured)	(c)	589.58	378.41
Current maturities of non-current borrowings [refer to note 17(i)]		1,854.52	1,624.71
		3,555.56	**4,015.23**

Notes:

(a) Working capital borrowings from banks amounting to Rs. 237.55 (31st March 2023: Rs. 1032.67) carrying interest rate varying from 8.60% to 11.85% (previous year 6.25% to 11.60%) per annum are secured by hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other assets of the Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed assets of the Company and immovable property situated at Haibtapur Road, Saddomajra, Derabassi, Mohali, Punjab (no first charge created on this property).

(b) Liability against utilisation of bill discounting facility from bank amounting to Rs. 261.15 (31st March 2023: Rs. 580.99) carrying interest rate of 8.10%-8.25% (previous year: 8.50%-8.77%) per annum is Secured by hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other assets of the Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed assets of the Company and immovable property situated at Haibtapur Road, Saddomajra, Derabassi, Mohali, Punjab (no first charge created on this property).

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

(c) Deposits from shareholders and directors amounting to Rs. 1,202.34 (31st March 2023: Rs. 776.86) carrying interest rates in the range of 8% to 9% (previous year 8% to 9%) per annum are repayable within 1 year from the respective dates of deposit.

(d) The Company has filed quarterly statements of current assets with the banks in agreement with the books of accounts.

		As at 31st March 2024	As at 31st March 2023
(iii)	**Reconciliation of movements of liabilities to cash flows arising from financing activities**		
	Balance as at the beginning of the year (including current and non-current borrowings)	**7,979.41**	**6,839.77**
	Proceeds from non-current borrowings	1,132.19	1,729.61
	Repayment of non-current borrowings*	(1,652.87)	(2,363.28)
	Repayments of/proceeds from current borrowings (net)	(689.48)	1,773.31
	Balance as at the end of the year (including current and non-current borrowings)	**6,769.25**	**7,979.41**

*Repayment of non-current borrowings includes current maturities of non-current borrowings, disclosed under current borrowings in earlier year.

18 OTHER FINANCIAL LIABILITIES

	Non-Current	
	As at 31st March 2024	As at 31st March 2023
Interest accrued but not due (refer to note 38)	147.97	156.31
Security Deposits	1.06	1.06
	149.03	**157.37**

	Current	
	As at 31st March 2024	As at 31st March 2023
Derivatives Financial instruments (Fair Value through statement of Profit or Loss)	-	7.29
Interest accrued but not due (refer to note 38)	234.97	143.31
Unpaid dividends*	55.18	27.47
Capital creditors	111.62	227.79
Employee related payables (refer to note 38)	1,944.43	1,459.75
	2,346.20	**1,865.61**

* not due for deposit to investor education and protection fund

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

19 PROVISIONS

	Non-Current		Current	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Provisions for employee benefits				
Liability for gratuity (refer to note 37)	-	-	96.85	-
Liability for Employee Incentive*	-	-	-	300.00
Liability for compensated absences	-	-	523.27	375.80
	-	**-**	**620.12**	**675.80**

*Provision for employee incentive relates to provision made for likely payout of incentive to employees.

Provision for Employee Incentive

	As at 31st March 2024	As at 31st March 2023
Opening balance	**300.00**	**-**
Additions	-	300.00
Reversal/Utilisation	300.00	-
Closing balance	**-**	**300.00**

20 DEFERRED TAX LIABILITIES (NET)

	As at 31st March 2024	As at 31st March 2023
Deferred tax liabilities on		
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	625.67	639.09
- Right of use assets	116.46	60.20
- MTM Gain on foreign exchange contracts	22.65	-
Deferred tax liabilities (A)	**764.78**	**699.29**
Deferred tax assets on		
- MTM loss on foreign exchange contracts	-	1.07
- Expected credit loss allowance	0.25	0.70
- Provision for employee benefits	131.70	172.99
- Lease liabilities	127.12	77.42
Deferred tax assets (B)	**259.07**	**252.17**
Net deferred tax liabilities (A - B)	**505.71**	**447.12**

(b) Movement in temporary differences:

2022-2023	As at 31st March 2022	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at 31st March 2023
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	634.02	5.07	-	639.09
- MTM Gain/(loss) on foreign exchange contracts	2.37	(3.44)	-	(1.07)
- Expected credit loss allowance	(1.76)	1.06	-	(0.70)
- Provision for employee benefits	(85.43)	(87.56)	-	(172.99)
- Right of use assets	99.43	(39.22)	-	60.21
- Lease liabilities	(125.56)	48.14	-	(77.42)
	523.07	**(75.95)**	**-**	**447.12**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

2023-2024	As at 31st March 2023	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at 31st March 2024
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	639.09	(13.42)	-	625.67
- MTM Gain/(loss) on foreign exchange contracts	(1.07)	23.72	-	22.65
- Expected credit loss allowance	(0.70)	0.45	-	(0.25)
- Provision for employee benefits	(172.99)	41.29	-	(131.70)
- Right of use assets	60.21	56.25	-	116.46
- Lease liabilities	(77.42)	(49.70)	-	(127.12)
	447.12	**58.59**	**-**	**505.71**

21 TRADE PAYABLES

	As at 31st March 2024	As at 31st March 2023
Dues of Micro Enterprises and Small Enterprises (refer to note below)	175.49	108.10
Trade payables to related parties (refer to note 38)	182.83	303.93
Other trade payables	1,966.49	2,275.71
	2,149.32	**2,579.64**
	2,324.81	**2,687.74**

Trade payables ageing schedule

As at 31st March 2024	Outstanding for following periods from the date of transaction					
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	175.49	-	-	-	**175.49**
Total outstanding dues of creditors other than micro enterprises and small enterprises	235.29	1,898.44	7.08	2.48	6.03	**2,149.32**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	**-**
Total	**235.29**	**2,073.93**	**7.08**	**2.48**	**6.03**	**2,324.81**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

As at 31st March 2023	Outstanding for following periods from the date of transaction					
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	3.79	104.31	-	-	-	**108.10**
Total outstanding dues of creditors other than micro enterprises and small enterprises	701.97	1,862.29	5.45	1.07	8.86	**2,579.64**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	**-**
Total	**705.76**	**1,966.60**	**5.45**	**1.07**	**8.86**	**2,687.74**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26th August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Company as under :

Particulars	As at 31st March 2024	As at 31st March 2023
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year		
- Principal	175.49	104.31
- Interest	4.26	3.79
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed date during each accounting year;	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during each accounting year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006;	4.26	3.79
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	4.26	3.79
(e) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	4.26	3.79

22 OTHER CURRENT LIABILITIES

	As at 31st March 2024	As at 31st March 2023
Advance from customers (refer to Note 52)	2,838.79	1,400.89
Interest Payable on Income tax	5.30	12.00
Interest payable others	4.26	-
Statutory dues	287.30	366.21
	3,135.65	**1,779.10**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

23 CURRENT TAX LIABILITIES (NET)

	As at 31st March 2024	As at 31st March 2023
Provision for income tax (net of advance tax)	570.02	119.27
	570.02	**119.27**

24 REVENUE FROM OPERATIONS

	Year ended 31st March 2024	Year ended 31st March 2023
Sale of products	32,739.25	28,600.64
Sale of services	991.03	734.15
Other operating revenues		
Export incentives	437.68	367.03
Scrap sales	894.55	778.79
	35,062.51	**30,480.61**

Revenue disaggregation as per industry vertical and geography has been included in segment information (refer to note 39)

a. Revenue from contracts with customers disaggregated based on nature of products and services

	Year ended 31st March 2024	Year ended 31st March 2023
Revenue from sale of products		
- Precision and watch components	31,238.85	27,330.06
- Others	1,500.40	1,270.58
Sale of services	991.03	734.15
Other operating revenue	894.55	778.79
	34,624.83	**30,113.58**
Set out below is the revenue from contracts with customers and reconciliation to Statement of profit and loss		
Total revenue from contracts with customers	34,624.83	30,113.58
Add: Items not included in disaggregated revenue:		
- Export Incentives	437.68	367.03
Revenue from operations as per the statement of profit and loss	**35,062.51**	**30,480.61**

b. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	Year ended 31st March 2024	Year ended 31st March 2023
Trade receivables (refer to note 10)	5,150.55	6,001.82
Advances from customers (refer to note 22)	2,838.79	1,400.89

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

25 OTHER INCOME

	Year ended 31st March 2024	Year ended 31st March 2023
Interest income		
Fixed deposits with banks*	68.10	36.12
Interest income from related parties* (refer to note 38)	100.41	58.67
Interest income from others*	23.97	20.47
Dividend income	7,207.19	0.35
Rental income (refer to note 38)	58.50	45.23
Liabilities/ provision no longer required written back	11.79	0.27
Provision for bad and doubtful debts no longer required written back (net)	1.78	4.19
Exchange gain on foreign exchange fluctuations (net)	643.29	724.96
Net gain on sale of property, plant and equipment and intangible assets	7.24	-
Net change in fair value of financial assets (at FVTPL)	0.59	0.68
Profit from Sale of non current Investments (refer to note 49)	12,170.12	1,069.96
Profit from Sale of Brands (refer to note 50)	-	3,900.00
Miscellaneous income (refer to note 38)	14.12	19.52
	20,307.10	**5,880.41**

*on financial assets at amortised cost

26 COST OF RAW MATERIALS CONSUMED

	Year ended 31st March 2024	Year ended 31st March 2023
Inventory of raw materials at the beginning of the year	2,403.74	1,624.77
Purchases of raw materials	8,724.92	8,535.49
	11,128.66	**10,160.26**
Inventory of raw materials at the end of the year	2,854.10	2,403.74
	8,274.56	**7,756.52**

27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP

	Year ended 31st March 2024	Year ended 31st March 2023
Opening stock		
Work-in-progress	915.44	842.57
Finished goods	124.46	30.90
Scrap	-	7.38
	1,039.90	**880.85**
Less:		
Closing stock		
Work-in-progress	1,062.61	915.44
Finished goods	70.72	124.46
Scrap	10.71	-
	1,144.04	**1,039.90**
	(104.14)	**(159.05)**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

28 EMPLOYEE BENEFITS EXPENSES

	Year ended 31st March 2024	Year ended 31st March 2023
Salaries and wages	8,017.94	9,235.87
Contributions to provident and other funds (refer to note 37)	642.05	558.13
Staff welfare expenses	495.53	365.86
	9,155.52	**10,159.86**

29 FINANCE COSTS

	Year ended 31st March 2024	Year ended 31st March 2023
Interest expense on financial liabilities measured at amortised cost	805.74	768.15
Interest on lease liabilities (refer to note 41)	74.05	46.99
Other borrowing costs	5.28	35.85
	885.07	**851.00**

30 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31st March 2024	Year ended 31st March 2023
Depreciation on property, plant and equipment (refer to note 3)	1,110.95	1,017.27
Amortisation of other intangible asset (refer to note 4)	11.87	12.74
Depreciation of Right-of-use assets (refer to note 41)	215.20	228.87
Depreciation of investment property (refer to note 41)	47.68	12.15
	1,385.70	**1,271.03**

31 OTHER EXPENSES

	Year ended 31st March 2024	Year ended 31st March 2023
Stores and spares consumed	1,411.20	1,246.48
Power, fuel, water and electricity charges	589.35	538.00
Contractual labour expenses (refer to note 38)	1,383.13	1,184.85
Insurance	37.13	43.61
Rent [refer to note 3(c) and 41]	18.94	22.91
Rates and taxes	54.73	45.35
Repair and maintenance		
- Plant and machinery	331.56	309.25
- Buildings	178.87	179.02
- Others	267.26	277.70
Legal and professional fees [refer to note (a) below and note 38]	573.50	551.45
Travelling and conveyance	736.66	640.18
Job charges (refer to note 38)	1,475.46	1,362.52
Bank Charges	58.86	62.92
Printing and stationery	45.17	36.01

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2024	Year ended 31st March 2023
Communication expenses	47.48	48.81
Commission	468.60	342.81
Events and exhibitions	131.73	148.52
Property, plant and equipment written off	37.33	33.14
Net loss on sale of property, plant and equipment	-	15.30
Donation	4.92	7.24
Bad debts/ advances / deposits written off	5.55	5.19
Impairment allowance for non current investment in subsidiaries	1,957.48	-
Directors' sitting fees (refer to note 38)	35.40	32.60
Security service charges	134.09	124.16
Corporate social responsibility expenditure [refer to note (b) below and note 38]	47.57	30.56
Miscellaneous expenses	339.90	269.30
	10,371.87	**7,557.88**

Note (a): Auditors' remuneration (excluding taxes as applicable)

	Year ended 31st March 2024	Year ended 31st March 2023
As Auditor		
- Statutory audit	22.00	25.50
- Limited review of quarterly results	9.00	7.50
In other capacity		
- Certification work*	4.75	5.02
- Others	-	7.50
- Reimbursement of expenses	1.87	1.72
	37.62	**47.24**

*Excluding Rs. Nil (31st March 2023: Rs. 2.50) which are considered as a part of expenses for buy back of equity shares (Refer to note 48)

Note (b): Detail of corporate social responsibility expenditure

	Year ended 31st March 2024	Year ended 31st March 2023
a. Gross amount required to be spent by the Company during the year	47.57	30.56
b. Amount spent during the year (in cash)		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above [(refer to note c below and note 38)]	63.08	51.42
	63.08	**51.42**
c. Details related to spent / unspent obligations:		
(i) Contribution		
- Healthcare activities related to Covid-19 (brought forward from previous year)	-	13.63
- Supporting health activities	33.38	5.00
- Ensuring environmental sustainability	18.70	17.37
- Promotion of education	11.00	15.42

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2024	Year ended 31st March 2023
(ii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
	63.08	**51.42**

	Year ended 31st March 2024	Year ended 31st March 2023
Excess CSR Expenditure eligible to be set-off against the CSR Spending mandate of succeeding three financial years (Refer to Note 14)	15.51	20.86
	15.51	**20.86**

Notes:

(a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 ("the Act"), in compliance with second proviso to sub section 5 of Section 135 of the Act.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of Section 135 of Companies Act.

32 INCOME TAX EXPENSE

A. Amounts recognised in statement of profit and loss

	Year ended 31st March 2024	Year ended 31st March 2023
Current tax		
Current year	3,415.48	2,065.63
Changes in estimates related to prior years	(78.01)	10.98
	3,337.47	**2,076.61**
Deferred tax		
Attributable to–		
Origination and reversal of temporary differences	(5.87)	(61.61)
Changes in estimates related to prior years	64.47	(14.34)
	58.60	**(75.95)**
	3,396.07	**2,000.66**

B. Reconciliation of effective tax rate

	Year ended 31st March 2024	Year ended 31st March 2023
Profit before tax	**25,401.03**	**8,923.79**
Tax at the Indian tax rate of 25.168% (previous year 25.168%)*	6,392.93	2,245.94
Effect of expenses/(Income) that are not deductible in determining taxable profit	(1,307.68)	14.82
Effect of income chargeable at lower rate of tax	(1,675.64)	(256.74)
Taxes for earlier years	(13.54)	(3.36)
Income tax expenses recognised in statement of profit and loss	**3,396.07**	**2,000.66**

* The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% (Previous year 25.168%) payable by corporate entities in India on taxable profits under the Indian tax law.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

C. Income tax recognised in other comprehensive income

	Year ended 31st March 2024	Year ended 31st March 2023
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit (liability) / asset	(120.09)	(21.45)
	(120.09)	**(21.45)**
Bifurcation of the income tax recognised in other comprehensive income		
Items that will not be reclassified to profit or loss		
Income tax on remeasurement of defined benefit (liability)/ asset	30.22	5.40
	30.22	**5.40**

33 EARNINGS PER SHARE

	Year ended 31st March 2024	Year ended 31st March 2023
A. Basic earnings per share		
i. Profit for basic earning per share of Rs. 10 each		
Profit for the year	22,004.96	6,923.12
ii. Weighted average number of equity shares for (basic)		
Balance at the beginning of the year	1,25,37,117	1,27,37,064
Effect of equity buyback	-	(32,031)
	1,25,37,117	**1,27,05,033**
Basic Earnings per share (face value of Rs 10 each)	**175.52**	**54.49**
B. Diluted earnings per share		
i. Profit for diluted earning per share of Rs. 10 each		
Profit for the year	22,004.96	6,923.12
ii. Weighted average number of equity shares for (diluted)		
Balance at the beginning of the year	1,25,37,117	1,27,37,064
Effect of equity buyback	-	(32,031)
	1,25,37,117	**1,27,05,033**
Diluted Earnings per share (face value of Rs. 10 each)	**175.52**	**54.49**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

34 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities including their level in the fair value hierarchy:

	Note	Level of hierarchy	As at 31st March 2024			As at 31st March 2023		
			FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets								
Non-current								
Non-derivative financial assets								
Investments:								
Investment in equity shares- other companies	(i)	3	49.98	-	-	49.39	-	-
Loans	(ii)	3	-	-	1,401.25	-	-	1,320.69
Other financial assets	(ii)	3	-	-	471.91	-	-	328.39
Current								
Non-derivative financial assets								
Trade receivables	(iii)	3	-	-	5,150.55	-	-	6,001.82
Cash and cash equivalents	(iii)	3	-	-	13,605.11	-	-	505.04
Other bank balances	(iii)	3	-	-	591.72	-	-	710.07
Loans	(iii)	3	-	-	99.42	-	-	61.30
Other financial assets	(iii)	3	-	-	730.65	-	-	324.36
Derivative financial assets								
Forward contracts	(v)	2	90.00	-	-	3.05	-	-
Total financial assets			**139.98**	**-**	**22,050.61**	**52.44**	**-**	**9,251.67**
Financial liabilities								
Non-current								
Non-derivative financial liabilities								
Borrowings	(iv)	3	-	-	3,213.69	-	-	3,964.18
Other financial liabilities	(ii)	3	-	-	149.03	-	-	157.37
Current								
Non-derivative financial liabilities								
Borrowings	(iii)	3	-	-	3,555.56	-	-	4,015.23
Trade payables	(iii)	3	-	-	2,324.81	-	-	2,687.75
Other financial liabilities	(iii)	3	-	-	2,346.20	-	-	1,858.32
Derivative financial liabilities								
Forward contracts	(v)	2	-	-	-	7.29	-	-
Total financial liabilities			**-**	**-**	**11,589.28**	**7.29**	**-**	**12,682.85**

(i) The fair value in respect of the unquoted equity investments cannot be reliably estimated. The Company has currently measured them at net book value as per the latest audited financial statements available.

(ii) Fair value of non-current financial assets and non- current financial liablilites has not been disclosed as there is no significant differences between carrying value and fair value.

(iii) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(iv) The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

(All amounts are in Indian Rupees Lacs, except for share data)

(v) The fair value of derivative financial instrument has been determined using valuation techniques with market observable input. The model incorporate various input include the credit quality of counter-parties and foreign exchange forward rate.

(vi) There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31st March 2024 and 31st March 2023.

B. Financial risk management

(i) Risk Management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to effect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain discipline and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to audit committee.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (ii))
- liquidity risk (see (iii))
- market risk (see (iv))

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit risk exposure and arises principally from the Company's receivable from customers and loans.

Particulars	As at 31st March 2024	As at 31st March 2023
Non-derivative financial assets		
Investments	49.98	49.39
Trade receivables	5,150.55	6,001.82
Loans	1,500.67	1,381.99
Other financial assets	1,202.56	652.75
Derivative financial asset		
Forward contracts	90.00	3.05
	7,993.76	**8,089.00**

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties. The Company enters into derivative contracts with bank and financial institutions having high credit ratings.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

	As at 31st March 2024	As at 31st March 2023
Within India	1,190.01	1,827.09
Outside India	3,960.54	4,174.73
	5,150.55	**6,001.82**

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

Particulars	As at 31st March 2024	As at 31st March 2023
Revenue from top customer	5,570.21	4,785.68
Revenue from top five customers	17,083.92	15,309.01

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.

Particulars	Gross carrying amount	Loss allowance	Carrying amount
31st March 2024			
Less than 6 Months	5,029.53	-	5,029.53
More than 6 Months	122.02	1.00	121.02
	5,151.55	**1.00**	**5,150.55**
31st March 2023			
Less than 6 Months	5,839.06	-	5,839.06
More than 6 Months	165.54	2.78	162.76
	6,004.60	**2.78**	**6,001.82**

The movement in the allowance for impairment in respect of trade receivables is as follows

	As at 31st March 2024	As at 31st March 2023
Balance as at the beginning of the year	2.78	6.97
Impairment allowance created	-	1.00
Impairment loss reversed	(1.78)	(5.19)
Balance as at the end of the year	**1.00**	**2.78**

Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Investments mainly include investments made by the Company in its subsidiary companies and associates. The loans primarily represents security deposits given and loans given to employees and related parties. The management believes these to be high quality assets with negligible credit risk. The management believes the parties to which these deposits and loans have been given have strong capacity to meet the obligations and where the risk of default is negligible or nil and accordingly no provision for expected credit loss has been provided on these financial assets. Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

(iii) Liquidity Risk

"Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash and cash equivalents and other bank balances anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximise liquidity and supplement cash requirements as necessary. As at 31st March 2024, the Company has available Rs. 3,576.03 (31st March 2023: Rs. 2,265.72) in form of undrawn committed borrowing limits.

The following table provides details regarding the contractual maturities of significant financial liabilities on an undiscounted basis:

	Less than 1 Year	1 to 2 Years	2 to 5 Years	Total	Carrying amount
31st March 2024					
Non-derivative financial liabilities					
Borrowings	3,799.78	1,867.16	1,772.13	7,439.07	6,769.25
Trade payables	2,324.81	-	-	2,324.81	2,324.81
Other financial liabilities	2,346.20	129.05	19.98	2,495.23	2,495.23
Lease liabilities	258.28	185.39	143.80	587.47	444.17
	8,729.07	**2,181.60**	**1,935.91**	**12,846.58**	**12,033.45**
31st March 2023					
Non-derivative financial liabilities					
Borrowings	4,215.11	1,110.05	3,046.69	8,371.85	7,979.41
Trade payables	2,687.76	-	-	2,687.76	2,687.75
Other financial liabilities	1,858.32	0.56	156.81	2,015.69	2,015.69
Lease liabilities	207.61	95.57	40.95	344.13	305.88
	8,968.80	**1,206.18**	**3,244.45**	**13,419.43**	**12,988.74**

(iv) Market Risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

Exposure to interest rate risk

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

	As at 31st March 2024	As at 31st March 2023
Fixed rate borrowings	6,531.70	6,946.74
Floating rate borrowings	237.54	1,032.67
Total borrowings (gross of transaction cost)	**6,769.25**	**7,979.41**

Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant

	Profit or Loss	
	Strengthening	**Weakening**
For the year ended 31st March 2024		
Interest rate (0.5% movement)	1.19	(1.19)
For the year ended 31st March 2023		
Interest rate (0.5% movement)	5.16	(5.16)

(ii) Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Unhedged foreign currency exposure

The following table provides details of the Company's exposure to currency risk:

Assets	As at 31st March 2024		As at 31st March 2023	
	Amount (Rs.)	Amount in foreign currency	Amount (Rs.)	Amount in foreign currency
Loans				
CHF	1,275.12	14.00	1,244.60	14.00
Trade receivables				
USD	1,020.77	12.31	892.14	10.93
EUR	298.18	3.34	114.22	1.29
CHF	1,048.74	11.51	1,502.57	16.90
GBP	135.26	1.29	48.88	0.49
Other financial assets				
CHF	88.55	0.95	92.37	1.08
Bank balances in foreign currency				
CHF	59.18	0.65	27.21	0.31
USD	0.13	0.00	0.20	0.00
Total (A)	**3,925.93**		**3,922.20**	

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

Liabilities	As at 31st March 2024		As at 31st March 2023	
	Amount (Rs.)	Amount in foreign currency	Amount (Rs.)	Amount in foreign currency
Trade payables				
HKD	41.43	3.85	60.60	5.74
USD	43.74	0.52	59.52	0.72
EUR	5.19	0.06	12.73	0.14
CHF	359.86	3.87	550.32	6.07
JPY	16.68	0.30	7.48	0.12
GBP	-	-	39.29	0.38
Commission payable in foreign currency				
CHF	514.56	5.54	479.28	5.29
EUR	7.13	0.08	4.76	0.05
USD	0.24	0.00	0.59	0.01
Total (B)	**988.83**		**1,214.58**	
Net exposure in respect of recognised assets and liabilities (A-B)	**2,937.10**		**2,707.62**	

Forward contracts outstanding as at the end of the year

	As at 31st March 2024		As at 31st March 2023	
	Amount (Rs.)	Amount in foreign currency	Amount (Rs.)	Amount in foreign currency
Exports				
CHF	1,457.28	16.00	1,511.30	17.00

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31st March 2024 and 31st March 2023 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March 2024				
HKD (1% movement)	(0.41)	0.41	(0.31)	0.31
USD (1% movement)	9.77	(9.77)	7.31	(7.31)
EUR (1% movement)	2.86	(2.86)	2.14	(2.14)
CHF (1% movement)	15.97	(15.97)	11.95	(11.95)
GBP (1% movement)	1.35	(1.35)	1.01	(1.01)
JPY (1% movement)	(0.17)	0.17	0.02	(0.02)
31st March 2023				
HKD (1% movement)	(0.61)	0.61	(0.45)	0.45
USD (1% movement)	8.32	(8.32)	6.23	(6.23)
EUR (1% movement)	0.97	(0.97)	0.72	(0.72)
CHF (1% movement)	18.37	(18.37)	13.75	(13.75)
GBP (1% movement)	0.10	(0.10)	0.07	(0.07)
JPY (1% movement)	(0.07)	0.07	0.02	(0.02)

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

35 CAPITAL MANAGEMENT

(i) Risk management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities excluding deferred tax liabilities, provisions and other current liabilities, less cash and cash equivalents and other bank balances. Total equity comprises all components of equity as shown in balance sheet.

The Company's adjusted net debt to total equity ratio was as follows:

	As at 31st March 2024	As at 31st March 2023
Total liabilities excluding deferred tax liabilities, provisions and other current liabilities	12,603.48	13,115.28
Less: cash and cash equivalents and other bank balances	14,196.83	1,215.11
Adjusted net debt	**(1,593.35)**	**11,900.17**
Total equity	**39,707.95**	**25,322.99**
Net debt to total equity ratio	**(0.04)**	**0.47**

(ii) Dividend

	As at 31st March 2024	As at 31st March 2023
Equity shares		
Dividends on equity shares declared and paid:		
Final dividend for the year ended 31st March 2023 of Rs. 2.00 (31st March 2022 of Rs. 3.00) per fully paid equity shares*	250.74	382.11
Interim dividend for the year ended 31st March 2024 of Rs. 58.00 (31st March 2023 of Rs. 2.00) per fully paid equity shares	7,271.53	250.74

*Final dividend has been paid on the number of shares issued by the Company till the date of annual general meeting after approval of the shareholders.

Proposed dividends on Equity shares:#

	31st March 2024	31st March 2023
Proposed dividend for the year ended on 31st March 2024: Rs. 4.00 (31st March 2023 of Rs. 2.00) per equity share	501.48	250.74

#Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March.

36 CONTINGENT LIABILITIES AND COMMITMENTS:

(to the extent not provided for)

	As at 31st March 2024	As at 31st March 2023
(ia) Claims against the Company not acknowledged as debts, under dispute		
- Demand raised by Punjab State Electricity Board for payment of penalty for usage of additional power against sanctioned load. Amount paid under protest Rs. 2.96 (31st March 2023: Rs. 2.96)	3.73	3.73
- Demand raised for Income tax (assessment year 2004-05 to assessment year 2012-13 and assessment year 2018-19 and 2019-20)	122.10	84.75
- Claims against the Company filed by employees not acknowledged as debt (to the extent ascertainable)	298.14	265.81
	423.96	**354.30**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

			As at 31st March 2024	As at 31st March 2023
(ib)	-	Custom duty saved against EPCG Licenses, pending redemption	597.47	221.47
(ic)	-	Guarantee issued to bank on behalf of subsidiary company, namely Estima AG (amount outstanding Rs. Nil (31st March 2023: Rs. 766.72)	-	785.90
(id)	-	Guarantee issued to bank on behalf of subsidiary company, namely Pylania SA (amount outstanding Rs. 1,411.74 (31st March 2023: Rs. 1,377.95)	1,698.22	1,696.83
(ii)	**Commitments**			
	-	Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	2,016.57	2,992.72
	-	Amount payable for party paid investment in equity shares of Silvercity Brands AG	696.75	-
			2,713.32	**2,992.72**

(iii) In addition, the Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

(iv) Pursuant to recent judgement by Hon'ble Supreme Court dated 28 Februrary 2019, it was held that basic wages, for the purpose of provident fund, to include special allowance which are common for all employees, However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Company has not recognised any provision. Further, management also believes that the impact of the same on the Company will not be material.

37 EMPLOYEE BENEFITS

A. Liabilities relating to employee benefits

	Non-Current		Current	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Liability for gratuity	-	-	96.85	-
Liability for compensated absences	-	-	523.27	375.80
	-	**-**	**620.12**	**375.80**

	Current	
	31st March 2024	31st March 2023
Advance payment for gratuity	-	100.42
	-	**100.42**

For details about the related employee benefit expenses, refer to note no. 28.

B. Defined Benefit Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed at least five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn salary for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Remeasurement gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The Company made annual contributions to the LIC of India of an amount advised by the LIC.

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

"This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India.

(i) Funding

Gratuity is a funded benefit plan for qualifying employees. 100% of the plan assets are managed by LIC. The assets managed are highly liquid in nature and the Company does not expect any significant liquidity risks.

Particulars	As at 31st March 2024	As at 31st March 2023
(ii) Reconciliation of present value of defined benefit obligation		
Present value of obligation at the beginning of the year	1,103.85	989.39
Current Service cost	91.01	76.13
Interest cost	81.24	71.04
Benefits paid	(57.42)	(50.33)
Actuarial (gains) losses recognised in other comprehensive income		
- Change in financial assumptions	16.02	(18.23)
- Experience adjustments	100.88	35.85
Present value of obligation at the end of the year	**1,335.57**	**1,103.85**
(iii) Reconciliation of the present value of plan assets		
Plan assets at the beginning of the year, at fair value	1,204.27	1,163.32
Return on plan assets recognised in other comprehensive income	(3.19)	(3.81)
Contributions	1.55	-
Benefits paid	(52.55)	(38.75)
Interest income	88.64	83.51
Plan assets at the end of the year, at fair value	**1,238.72**	**1,204.27**
(iv) Amount recognised in the balance sheet		
Present value of the defined benefit obligations at the end of the year	1,335.57	1,103.85
Fair value of plan assets at the end of the year	1,238.72	1,204.27
Net (asset)/ liability recognised in the balance sheet	**96.85**	**(100.42)**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

(v) Plan assets

Plan assets comprise of the following:

Particulars	As at 31st March 2024	As at 31st March 2023
Policy of insurance	1,238.72	1,204.27
	1,238.72	**1,204.27**

(vi) Amount recognised in the Statement of Profit and Loss

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Current service cost	91.01	76.13
Interest cost (net)	(7.40)	(12.48)
Amount recognised in the Statement of profit and loss	**83.61**	**63.65**
(vii) Remeasurements recognised in other comprehensive income		
Actuarial gain/loss on the defined benefit obligation	116.90	17.62
Return on plan assets (excluding interest income)	3.19	3.83
Amount recognised in other comprehensive income	**120.09**	**21.45**

(viii) Actuarial assumptions

a) **Economic assumptions:** The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31st March 2024	As at 31st March 2023
Discount rate (per annum)	7.22%	7.36%
Expected rate of return on plan assets (per annum)	7.22%	7.36%
Salary increase (per annum)	4.00%	4.00%
Expected average remaining working lives of employees (years)	20.60	21.35

b) **Demographic assumptions:**

Particulars	As at 31st March 2024	As at 31st March 2023
Retirement age	58 years	58 years
Mortality	Indian assured lives mortality (2012-14) Ultimate	Indian assured lives mortality (2012-14) Ultimate
Attrition rate		
Upto 30 years	3%	3%
31 to 44 years	2%	2%
45 and above	1%	1%

(ix) Sensitivity analysis on defined benefit obligation on account of change in significant assumptions:

Particulars	As at 31st March 2024		As at 31st March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(56.01)	60.33	(48.48)	52.25
Future salary growth (0.5% movement)	61.33	(57.34)	52.97	(49.47)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

(x) Expected future benefit payments

Particulars	As at 31st March 2024	As at 31st March 2023
The expected maturity analysis of undiscounted defined benefit liability is as follows:		
Within 1 year	127.44	99.43
1-2 years	55.08	39.21
2-5 years	210.39	150.99
Over 5 years	942.67	814.21

(xi) Weighted average duration and expected employers contribution for next year of the defined benefit plan

Particulars	As at 31st March 2024	As at 31st March 2023
Weighted average duration (in years)	16.22	16.67
Expected Employers contribution for the next year	107.58	79.11

C. Defined Contribution Plan

The Company makes contribution towards employees' provident fund, superannuation fund and employees' state insurance plan scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The expense recognised towards contribution of these plans is as follows:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Provident fund (including social security for overseas employees)	494.47	386.01
Superannuation fund	4.34	3.80
Employees' state insurance scheme	27.38	29.81
Pension fund	81.47	74.86
	607.66	**494.48**

38 RELATED PARTIES:

a) Related parties and nature of relationship where control exists:

Name of party	Description of relationship
Pylania SA	Subsidiary
Kamla International Holdings SA	Subsidiary
Ethos Limited	Subsidiary
Mahen Distribution Limited	Subsidiary
Estima AG	Subsidiary of Pylania SA and Kamla International Holdings SA
Kamla Tesio Dials Limited	Subsidiary
Cognition Digital LLP	Subsidiary of Ethos Limited
Pasadena Retail Private Limited	Joint Venture of Ethos Limited
Silvercity Brands AG	Subsidiary of Ethos Limited from 31st March 2023 to 01st March 2024 (Company's subsidiary w.e.f 01st March 2024)
Favre Lueba	Subsidiary of Silver city Brand AG (W.e.f 26th June 2023)
RF Brands Private Limited	Subsidiary of Ethos Limited (W.e.f 02nd February 2024)

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

b) Key managerial personnel (KMP) of the Company, their close family members and related entities

(i) Names of KMP	Names of their close family members (refer note 1)
- Mr. Yashovardhan Saboo (Chairman and managing director)	Mr. R.K. Saboo (father), Mrs. Usha Devi Saboo (mother), Mrs. Anuradha Saboo (spouse) Mr. Pranav Shankar Saboo (Son), Mrs. Malvika Singh (son's spouse) Mrs. Satvika Saboo Suri (daughter)
- Mr. Sanjeev Kumar Masown (Whole Time Director and Chief Financial Officer)	Mrs. Neeraj Masown (spouse), Mr. Lal Chand Masown (father), Ms. Muskan Masown (Daughter)
- Mr. Brahm Prakash Kumar (Company Secretary)	

(ii) Related entities of KMP

- Vardhan Properties & Investments Limited
- VBL Innovations Private Limited
- Dream Digital Technology Private Limited
- KDDL Ethos Foundation
- Saboo Ventures LLP
- Saboo Housing Projects LLP
- Shri R.K. Saboo a/c Tara Chand Mahendra Kumar HUF
- Shri Yasho Vardhan Saboo a/c Yasho Vardhan HUF
- Veena Kanoria Family Trust
- RKS JS Family Trust
- UDS JS Family Trust
- ASP Saboo Family Trust

(iii) Non-executive Directors	Names of their close family members (refer note 1)		
- Mr. Anil Khanna	Mrs. Alka Khanna (spouse)	Ms. Salonee Khanna (daughter)	Mr. Saahil Khanna (son)
- Mrs. Ranjana Agarwal			
- Mrs. Anuradha Saboo (w.e.f August 12, 2023)			
- Mr. Praveen Gupta			
- Mr. Jai Vardhan Saboo			
- Mr. Sanjiv Sachar			
- Mrs. Neelima Tripathi			
- Mr. Nagarajan Subramanian			

Note:

1. With respect to the key managerial personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

c) **Related party transactions**

Year ended 31st March 2024

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
1	**Purchase of raw material and components**					
	Estima AG	33.89	-	-	-	-
	Pylania SA	1.59	-	-	-	-
2	**Sale of goods and services**					
	Pylania SA	1,431.46	-	-	-	-
	Estima AG	216.88	-	-	-	-
	Ethos Limited	5.62	-	-	-	-
	Silvercity Brands AG	1.92	-	-	-	-
3	**Purchase of property, plant and equipment**					
	Estima AG	8.60	-	-	-	-
4	**Guarantee income**					
	Estima AG	1.80	-	-	-	-
	Pylania SA	8.46	-	-	-	-
5	**Job work charges paid**					
	Pylania SA	40.99	-	-	-	-
	Kamla Tesio Dials Limited	139.92	-	-	-	-
6	**Payment of lease liabilities**					
	Mr. Yashovardhan Saboo	-	-	15.75	-	-
	Mrs. Anuradha Saboo	-	-	26.25	-	-
	Pylania SA	18.59	-	-	-	-
	Saboo Housing Projects LLP	-	-	-	6.00	-
7	**Compensation to key managerial personnel***					
	Short-term employee benefits					
	Mr. Yashovardhan Saboo	-	-	243.60	-	-
	Mr. Sanjeev Kumar Masown	-	-	104.76	-	-
	Mr. Brahm Prakash Kumar	-	-	42.53	-	-
8	**Interest income**					
	Kamla International Holding	97.17	-	-	-	-
	Mr. Sanjeev Kumar Masown	-	-	3.24	-	-
9	**Interest paid/ accrued**					
	Mr. Sanjeev Kumar Masown	-	-	8.35	-	-

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
	Mrs. Usha Devi Saboo	-	-	-	-	12.22
	Mrs. Neeraj Masown	-	-	-	-	9.60
	Mr. Lal Chand Masown	-	-	-	-	1.50
	Mr. Anil Khanna	-	-	16.42	-	-
	Mrs. Alka Khanna	-	-	-	-	2.17
	Mr. Praveen Gupta	-	-	2.93	-	-
	Mrs. Anuradha Saboo	-	-	10.77	-	-
	Mrs. Ranjana Agarwal	-	-	79.49	-	-
	Ms. Salonee Khanna	-	-	-	-	0.58
	Mr. Saahil Khanna	-	-	-	-	0.48
	ASP Saboo Family Trust	-	-	-	0.47	-
	Mr. R.K. Saboo	-	-	-	-	11.40
	RKS JS Family Trust	-	-	-	12.52	-
	UDS JS Family Trust	-	-	-	0.45	-
	Veena Kanoria Family Trust	-	-	-	20.06	-
	Mr. Brahm Prakash Kumar	-	-	4.79	-	-
	Ms. Muskan Masown	-	-	-	-	1.69
10	**Deposits from shareholders accepted/renew**					
	Mrs. Usha Devi Saboo	-	-	-	-	62.00
	Mr. Yashovardhan Saboo	-	-	100.00	-	-
	Mrs. Anuradha Saboo	-	-	150.00	-	-
	Mr. Anil Khanna	-	-	49.40	-	-
	Mrs. Ranjana Agarwal	-	-	210.86	-	-
	Mr. Sanjeev Kumar Masown	-	-	49.93	-	-
	Ms. Salonee Khanna	-	-	-	-	4.09
	Mrs. Neeraj Masown	-	-	-	-	119.33
	Mr. Lal Chand Masown	-	-	-	-	16.88
	Ms. Muskan Masown	-	-	-	-	40.72
	ASP Saboo Family Trust	-	-	-	5.18	-
	RKS JS Family Trust	-	-	-	191.60	-
	UDS JS Family Trust	-	-	-	5.00	-
	Veena Kanoria Family Trust	-	-	-	240.00	-
	Mr. Brahm Prakash Kumar	-	-	23.21	-	-
11	**Deposits from shareholders repaid**					
	Mr. Anil Khanna	-	-	47.16	-	-

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
	Mr. Yashovardhan Saboo	-	-	100.00	-	-
	Mr. Lal Chand Masown	-	-	-	-	15.27
	Mrs. Neeraj Masown	-	-	-	-	60.58
	Ms. Muskan Masown	-	-	-	-	20.00
	Ms. Salonee Khanna	-	-	-	-	3.15
	Mrs. Ranjana Agarwal	-	-	282.79	-	-
	Mr. Sanjeev Kumar Masown	-	-	36.82	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	40.00
	RKS JS Family Trust	-	-	-	45.00	-
	ASP Saboo Family Trust	-	-	-	5.00	-
	UDS JS Family Trust	-	-	-	5.00	-
	Veena Kanoria Family Trust	-	-	-	140.00	-
	Mr. Brahm Prakash Kumar	-	-	13.58	-	-
12	**Rent received**					
	Ethos Limited	42.06	-	-	-	-
	Kamla Tesio Dials Limited	14.64	-	-	-	-
	Cognition Digital LLP	0.60	-	-	-	-
	Mahen Distribution Limited	0.60	-	-	-	-
	Vardhan Properties and Investment Limited	-	-	-	0.60	-
13	**Loans and advances given by the Company**					
	Mr. Sanjeev Kumar Masown	-	-	80.00	-	-
14	**Reimbursement of expenses paid by the Company**					
	Pylania SA	103.64	-	-	-	-
	Ethos Limited	43.68	-	-	-	-
15	**Management consultancy fees paid**					
	Ms. Satvika Saboo	-	-	-	-	12.50
16	**Reimbursement of expenses received by the Company**					
	Ethos Limited	5.08	-	-	-	-
	Pylania SA	28.84	-	-	-	-
17	**Investments made (Refer to Note 5)**					
	Ethos Limited	397.87	-	-	-	-
	Silvercity Brands AG	740.94	-	-	-	-
	Kamla Tesio Dials Limited	12.94	-	-	-	-
18	**CSR contribution made**					
	KDDL Ethos Foundation	-	-	-	18.53	-

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
19	**Dividend Received**					
	Mahen Distribution Limited	7,206.84	-	-	-	-
20	**Dividend paid**					
	Mr. Yashovardhan Saboo	-	-	1,360.44	-	-
	Mr. Sanjiv Sachar	-	-	0.91	-	-
	Mrs. Anuradha Saboo	-	-	269.31	-	-
	Mr. Nagarajan Subramanian	-	-	0.02	-	-
	Mr. Anil Khanna	-	-	1.03	-	-
	Mr. Brahm Prakash Kumar			1.36		
	Mr. R.K. Saboo	-	-	-	-	1,200.66
	Mrs. Usha Devi Saboo	-	-	-	-	101.94
	Ms. Pranav S Saboo	-	-	-	-	479.43
	Mrs. Satvika Saboo	-	-	-	-	90.80
	Mrs. Alka Khanna	-	-	-	-	0.12
	Vardhan Properties and Investment Limited	-	-	-	22.89	-
	Dream Digital Technology Private Limited	-	-	-	17.65	-
	Saboo Ventures LLP	-	-	-	39.55	-
	Mr. Lal Chand Masown	-	-	-	-	0.00
	Mr. Saahil Khanna	-	-	-	-	0.00
	Mrs. Neeraj Masown	-	-	-	-	0.00
	Ms. Salonee Khanna	-	-	-	-	0.01
	Ms. Muskan Masown	-	-	-	-	0.00
21	**Director sitting fee**					
	Mr. Anil Khanna	-	-	8.40	-	-
	Mrs. Ranjana Agarwal	-	-	5.43	-	-
	Mr. Praveen Gupta	-	-	6.83	-	-
	Mr. Sanjiv Sachar	-	-	4.30	-	-
	Mr. Jai Vardhan Saboo	-	-	1.38	-	-
	Mrs. Neelima Tripathi	-	-	2.88	-	-
	Mrs. Anuradha Saboo			2.63		
	Mr. Nagarajan Subramanian	-	-	3.58	-	-
22	**Events and exhibition**					
	Ethos Limited	5.60	-	-	-	-
23	**Employee benefit expense**					
	Mr. R.K. Saboo	-	-	-	-	30.00
24	**Contractual labour expenses**					
	Mahen Distribution Limited	345.19	-	-	-	-

**(Excluding provision for leave encashment and gratuity as they are determined on an actuarial basis for the Company as a whole)*

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

Year ended 31st March 2023

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
1	**Purchase of raw material and components**					
	Estima AG	51.21	-	-	-	-
	Pylania SA	109.40	-	-	-	-
2	**Sale of goods and services**					
	Pylania SA	3,026.19	-	-	-	-
	Estima AG	286.74	-	-	-	-
	Ethos Limited	18.38	-	-	-	-
3	**Sale of brand**					
	Ethos Limited	3,900.00	-	-	-	-
4	**Purchase of property, plant and equipment**					
	Ethos Limited	28.58	-	-	-	-
5	**Guarantee income**					
	Ethos Limited	7.46	-	-	-	-
	Estima AG	5.13	-	-	-	-
	Pylania SA	5.63	-	-	-	-
6	**Job work charges paid**					
	Pylania SA	35.54	-	-	-	-
	Kamla Tesio Dials Limited	130.52	-	-	-	-
7	**Payment of lease liabilities**					
	Mr. Yashovardhan Saboo	-	-	11.46	-	-
	Mrs. Anuradha Saboo	-	-	-	-	19.10
	Saboo Housing Projects LLP	-	-	-	6.00	-
8	**Compensation to key managerial personnel***					
	Short-term employee benefits					
	Mr. Yashovardhan Saboo	-	-	285.80	-	-
	Mr. Sanjeev Kumar Masown	-	-	155.00	-	-
	Mr. Brahm Prakash Kumar	-	-	33.57	-	-
	One time payment for value creation award					
	Mr. Yashovardhan Saboo	-	-	1,900.00	-	-
9	**Interest income**					
	Kamla International Holding	57.64	-	-	-	-
	Mr. Sanjeev Kumar Masown	-	-	42.77	-	-
10	**Interest paid/ accrued**					
	Mr. Sanjeev Kumar Masown	-	-	8.08	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	3.11
	Mrs. Neeraj Masown	-	-	-	-	4.69
	Mr. Lal Chand Masown	-	-	-	-	1.61
	Mr. Anil Khanna	-	-	13.40	-	-
	Mrs. Alka Khanna	-	-	-	-	2.19
	Mr. Praveen Gupta	-	-	2.93	-	-
	Mrs. Ranjana Agarwal	-	-	80.12	-	-
	Ms. Salonee Khanna	-	-	-	-	0.57

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
	Mr. Saahil Khanna	-	-	-	-	0.25
	ASP Saboo Family Trust	-	-	-	0.14	-
	Mr. R.K. Saboo	-	-	-	-	4.13
	RKS JS Family Trust	-	-	-	2.08	-
	UDS JS Family Trust	-	-	-	0.16	-
	Veena Kanoria Family Trust	-	-	-	1.33	-
	Mr. Brahm Prakash Kumar	-	-	4.41	-	-
11	**Deposits from shareholders accepted/renew**					
	Mrs. Usha Devi Saboo	-	-	-	-	110.00
	Mr. Anil Khanna	-	-	160.92	-	-
	Mrs. Ranjana Agarwal	-	-	196.50	-	-
	Mr. Sanjeev Kumar Masown	-	-	28.69	-	-
	Mrs. Alka Khanna	-	-	-	-	0.40
	Ms. Salonee Khanna	-	-	-	-	1.85
	Mrs. Neeraj Masown	-	-	-	-	22.20
	Mr. Lal Chand Masown	-	-	-	-	11.91
	Mr. Saahil Khanna	-	-	-	-	4.50
	ASP Saboo Family Trust	-	-	-	5.00	-
	Mr. R.K. Saboo	-	-	-	-	120.00
	RKS JS Family Trust	-	-	-	200.00	-
	UDS JS Family Trust	-	-	-	5.00	-
	Veena Kanoria Family Trust	-	-	-	140.00	-
	Mr. Brahm Prakash Kumar	-	-	41.26	-	-
12	**Deposits from shareholders repaid**					
	Mrs. Alka Khanna	-	-	-	-	1.33
	Mr. Anil Khanna	-	-	68.56	-	-
	Mr. Lal Chand Masown	-	-	-	-	9.18
	Mrs. Neeraj Masown	-	-	-	-	16.36
	Ms. Salonee Khanna	-	-	-	-	1.50
	Mrs. Ranjana Agarwal	-	-	200.00	-	-
	Mr. Sanjeev Kumar Masown	-	-	21.13	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	5.00
	RKS JS Family Trust	-	-	-	200.00	-
	Mr. Brahm Prakash Kumar	-	-	30.38	-	-
13	**Rent received**					
	Ethos Limited	29.24	-	-	-	-
	Kamla Tesio Dials Limited	14.64	-	-	-	-
	Cognition Digital LLP	0.60	-	-	-	-
	Mahen Distribution Limited	-	-	-	0.60	-
	Vardhan Properties and Investment Limited	-	-	-	0.15	-
14	**Repayment of loan given by the Company**					
	Mr. Sanjeev Kumar Masown	-	-	5.00	-	-

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
15	**Reimbursement of expenses paid by the Company**					
	Pylania SA	77.94	-	-	-	-
	Ethos Limited	43.68	-	-	-	-
16	**Management consultancy fees paid**					
	Ms. Satvika Saboo	-	-	-	-	15.00
17	**Reimbursement of expenses received by the Company**					
	Ethos Limited	4.75	-	-	-	-
	Pylania SA	25.97	-	-	-	-
	Estima AG	26.63	-	-	-	-
18	**Investments made (Refer to Note 5)**					
	Kamla International Holding AG	846.70	-	-	-	-
19	**CSR contribution made**					
	KDDL Ethos Foundation	-	-	-	9.10	-
20	**Dividend paid**					
	Mr. Yashovardhan Saboo	-	-	112.69	-	-
	Mr. Sanjiv Sachar	-	-	0.08	-	-
	Mr. Sanjeev Kumar Masown	-	-	0.07	-	-
	Mr. Anil Khanna	-	-	0.16	-	-
	Mr. R.K. Saboo	-	-	-	-	99.47
	Mrs. Usha Devi Saboo	-	-	-	-	8.49
	Mrs. Anuradha Saboo	-	-	-	-	22.44
	Mr. Pranav S Saboo	-	-	-	-	39.95
	Mrs. Satvika Saboo	-	-	-	-	7.57
	Mrs. Alka Khanna	-	-	-	-	0.01
	Vardhan Properties and Investment Limited	-	-	-	1.80	-
	Dream Digital Technology Private Limited	-	-	-	1.47	-
	Saboo Ventures LLP	-	-	-	1.36	-
21	**Director sitting fee**					
	Mr. Anil Khanna	-	-	8.03	-	-
	Mrs. Ranjana Agarwal	-	-	6.58	-	-
	Mr. Praveen Gupta	-	-	5.78	-	-
	Mr. Sanjiv Sachar	-	-	4.68	-	-
	Mr. Jai Vardhan Saboo	-	-	1.55	-	-
	Mrs. Neelima Tripathi	-	-	3.00	-	-
	Mr. Nagarajan Subramanian	-	-	3.00	-	-
22	**Events and exhibition**					
	Ethos Limited	4.64	-	-	-	-
23	**Employee benefit expense**					
	Mr. R.K. Saboo	-	-	-	-	32.88
24	**Contractual labour expenses**					
	Mahen Distribution Limited	276.63	-	-	-	-

**(Excluding provision for leave encashment and gratuity as they are determined on an actuarial basis for the Company as a whole)*

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

d) Balances due from/to the related parties

As at 31st March 2024

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
1	**Loans**					
	Mr. Sanjeev Kumar Masown	-	-	94.68	-	-
	Kamla International Holding AG	1,275.12	-	-	-	-
2	**Interest Receivable from Director**					
	Mr. Sanjeev Kumar Masown	-	-	2.23	-	-
3	**Other current assets**					
	Mr. Yashovardhan Saboo	-	-	1.71	-	-
4	**Trade receivables**					
	Pylania SA	217.71	-	-	-	-
	Estima AG	88.15	-	-	-	-
5	**Other financial assets**					
	Pylania SA	6.37	-	-	-	-
	Kamla International Holdings SA	73.86	-	-	-	-
	Estima AG	8.31	-	-	-	-
	Kamla Tesio Dials Limited	7.05	-	-	-	-
	Cognition Digital LLP	0.41	-	-	-	-
6	**Advances for supply of Goods**					
	Kamla Tesio Dials Limited	1.00	-	-	-	-
7	**Payables**					
	Kamla Tesio Dials Limited	10.83	-	-	-	-
	Mahen Distribution Limited	28.34	-	-	-	-
	Estima AG	4.66	-	-	-	-
	Ethos Limited	1.78	-	-	-	-
	Pylania SA	133.69	-	-	-	-
	Mrs. Anuradha Saboo	-	-	0.47	-	-
	Mr. Anil Khanna	-	-	0.65	-	-
	Mrs. Ranjana Agarwal	-	-	0.65	-	-
	Mr. Praveen Gupta	-	-	0.47	-	-
	Mr. Sanjiv Sachar	-	-	0.18	-	-
	Ms. Neelima Tripathi	-	-	0.47	-	-
	Mr. Nagarajan Subramanian	-	-	0.65	-	-
8	**Guarantees given**					
	Pylania SA	1,698.22	-	-	-	-
9	**Deposits from shareholders and directors**					
	Mr. Sanjeev Kumar Masown	-	-	78.62	-	-
	Mr. Praveen Gupta	-	-	30.00	-	-
	Mr. Lal Chand Masown	-	-	-	-	16.88
	Mrs. Neeraj Masown	-	-	-	-	102.37
	Mr. Anil Khanna	-	-	163.16	-	-

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
	Mrs. Anuradha Saboo	-	-	150.00	-	-
	Mrs. Alka Khanna	-	-	-	-	22.20
	Mrs. Ranjana Agarwal	-	-	627.01	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	132.00
	Ms. Salonee Khanna	-	-	-	-	5.94
	Mr. Saahil Khanna	-	-	-		4.50
	ASP Saboo Family Trust	-	-	-	5.18	-
	Mr. R.K. Saboo	-	-	-	-	120.00
	RKS JS Family Trust				146.60	
	UDS JS Family Trust	-	-	-	5.00	-
	Ms. Muskan Masown					20.72
	Veena Kanoria Family Trust	-	-	-	240.00	-
	Brahm Prakash Kumar	-	-	50.89	-	-
10	**Interest accrued but not due**					
	Mr. Sanjeev Kumar Masown	-	-	6.63	-	-
	Mr. Lal Chand Masown	-	-	-	-	0.56
	Mrs. Neeraj Masown	-	-	-	-	10.05
	Mr. Anil Khanna	-	-	18.03	-	-
	Mrs. Alka Khanna	-	-	-	-	0.07
	Mrs. Ranjana Agarwal	-	-	115.12	-	-
	Mrs. Anuradha Saboo	-	-	10.77	-	-
	ASP Saboo Family Trust	-	-	-	0.41	-
	RKS JS Family Trust	-	-	-	1.83	-
	Ms. Salonee Khanna	-	-	-	-	0.58
	Mr. Saahil Khanna	-	-	-	-	0.73
	Mrs. Usha Devi Saboo	-	-	-	-	1.90
	Ms. Muskan Masown	-	-	-	-	0.88
	Brahm Prakash Kumar	-	-	4.81	-	-
11	**Employee related payables**					
	Mr. Yashovardhan Saboo	-	-	18.14	-	-
	Mr. Sanjeev Kumar Masown	-	-	7.02	-	-
	Mr. R.K. Saboo	-	-	-	-	1.74
	Mr. Brahm Prakash Kumar	-	-	1.66	-	-
12	**Lease Liabilities**					
	Saboo Housing Projects LLP	-	-	-	3.83	-

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

As at 31st March 2023

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
1	**Loans**					
	Mr. Sanjeev Kumar Masown	-	-	16.97	-	-
	Kamla International Holding AG	1,244.60	-	-	-	-
2	**Other current assets**					
	Mr. Yashovardhan Saboo	-	-	9.04	-	-
3	**Trade receivables**					
	Pylania SA	845.38	-	-	-	-
	Estima AG	168.99	-	-	-	-
4	**Other financial assets**					
	Pylania SA	5.63	-	-	-	-
	Kamla International Holdings SA	58.23	-	-	-	-
	Estima AG	28.55	-	-	-	-
5	**Other current assets**					
	Kamla Tesio Dials Limited	9.00	-	-	-	-
6	**Payables**					
	Kamla Tesio Dials Limited	14.66	-	-	-	-
	Mahen Distribution Limited	29.53	-	-	-	-
	Estima AG	13.19	-	-	-	-
	Ethos Limited	13.17	-	-	-	-
	Pylania SA	231.91	-	-	-	-
	Mrs. Satvika Saboo	-	-	-	-	1.13
	Mr. Jai Vardhan Saboo	-	-	0.34	-	-
7	**Advance received for supply of goods**					
	Pylania SA	1.05	-	-	-	-
8	**Guarantees taken***					
	Mr. Yashovardhan Saboo	-	-	5,250.00	-	-
9	**Guarantees given**					
	Pylania SA	1,696.83	-	-	-	-
	Estima AG	785.90	-	-	-	-
10	**Deposits from shareholders and directors**					
	Mr. Sanjeev Kumar Masown	-	-	65.51	-	-
	Mr. Praveen Gupta	-	-	30.00	-	-
	Mr. Lal Chand Masown	-	-	-	-	15.27
	Mrs. Neeraj Masown	-	-	-	-	43.62
	Mr. Anil Khanna	-	-	160.92	-	-
	Mrs. Alka Khanna	-	-	-	-	22.20
	Mrs. Ranjana Agarwal	-	-	698.94	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	110.00
	Ms. Salonee Khanna	-	-	-	-	5.00
	Mr. Saahil Khanna	-	-	-		4.50
	ASP Saboo Family Trust	-	-	-	5.00	-
	Mr. R.K. Saboo	-	-	-	-	120.00
	UDS JS Family Trust	-	-	-	5.00	-
	Veena Kanoria Family Trust	-	-	-	140.00	-

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
	Brahm Prakash Kumar	-	-	41.26	-	-
11	**Interest accrued but not due**					
	Mr. Sanjeev Kumar Masown	-	-	12.82	-	-
	Mr. Lal Chand Masown	-	-	-	-	3.92
	Mrs. Neeraj Masown	-	-	-	-	4.65
	Mr. Anil Khanna	-	-	13.87	-	-
	Mrs. Alka Khanna	-	-	-	-	0.03
	Mrs. Ranjana Agarwal	-	-	145.78	-	-
	ASP Saboo Family Trust	-	-	-	0.14	-
	Ms. Salonee Khanna	-	-	-	-	0.94
	Mr. Saahil Khanna	-	-	-	-	0.25
	Mr. Brahm Prakash Kumar	-	-	1.15	-	-
12	**Employee related payables**					
	Mr. Yashovardhan Saboo	-	-	0.30	-	-
	Mr. Sanjeev Kumar Masown	-	-	3.86	-	-
	Mr. R.K. Saboo	-	-	-	-	2.00
	Mr. Brahm Prakash Kumar	-	-	1.05	-	-
13	**Lease Liabilities**					
	Saboo Housing Projects LLP	-	-	-	7.79	-

** Guarantees taken by the Company includes personal guarantees of Mr. Yashovardhan Saboo for working capital borrowings and term loans. The original sanctioned limits of working capital borrowings and term loans by the continuing banks has been disclosed above. However, at the reporting date, the balance amount of term loans in respect of which personal guarantees have been given stands at Rs.Nil (31st March 2023: Rs 1086.18) of Mr. Yashovardhan Saboo.*

e) Terms and conditions of transactions with related parties

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business.

39 OPERATING SEGMENTS

(a) Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chairman and Managing Director to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which are the Company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Company's Chairman and Managing Director reviews internal management reports on at least a quarterly basis.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

The following summary describes the operations in each of the Company's reportable segments:

Reportable segments	Operations
Precision and watch components	Manufacturing and distribution of dials, watch hands and precision components
Others	Manufacturing and distribution of packaging boxes

(b) Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's Chairman and Managing Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Year ended 31st March 2024	Precision and watch components	Others	Total
Segment revenue:			
- External revenues	33,561.42	1,501.09	35,062.51
Total segment revenue	**33,561.42**	**1,501.09**	**35,062.51**
Segment profit before income tax	**17,506.93**	**130.27**	**17,637.20**
Segment profit before income tax includes:			
Segment assets	**25,152.60**	**867.41**	**26020.01**
Segment assets include:			
- Capital expenditure during the year	3,193.13	243.15	3,436.28
Segment liabilities	**7,629.79**	**186.44**	**7,816.23**

Year ended 31st March 2023	Precision and watch components	Others	Total
Segment revenue:			
- External revenues	29,210.03	1,270.58	30,480.61
Total segment revenue	**29,210.03**	**1,270.58**	**30,480.61**
Segment profit before income tax	**7,889.78**	**103.68**	**7,993.46**
Segment assets	**22,346.11**	**663.98**	**23,010.09**
Segment assets include:			
- Capital expenditure during the year	2,696.94	78.56	2,775.50
Segment liabilities	**5,768.21**	**203.64**	**5,971.85**

(c) Reconciliations of information on reportable segments to Ind AS measures

	As at 31st March 2024	As at 31st March 2023
i. Revenues		
Total revenue for reportable segments	35,062.51	30,480.61
Total revenue	**35,062.51**	**30,480.61**
ii. Profit before income tax		
Total profit before tax for reportable segments	17,637.20	7,993.46
Finance Cost	(885.07)	(851.00)
Unallocated amounts:		
Corporate (expenses)/income	8,648.90	1,781.33
Consolidated profit before tax	**25,401.03**	**8,923.79**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

		As at 31st March 2024	As at 31st March 2023
iii.	**Assets**		
	Total assets for reportable segments	26,020.01	23,010.09
	Unallocated amounts	30,552.90	18,330.21
	Consolidated total assets	**56,572.91**	**41,340.29**
iv.	**Liabilities**		
	Total liabilities for reportable segments	7,816.22	5,971.85
	Unallocated amounts	9,048.75	10,045.45
	Consolidated total liabilities	**16,864.96**	**16,017.30**

v. Other material items

	Reportable segment total	Adjustments	Consolidated total
Year ended 31st March 2024			
Finance cost	-	885.07	885.07
Depreciation and amortisation expense	1,141.37	244.34	1,385.70
Capital expenditure during the year	3,436.28	47.59	3,483.87
Year ended 31st March 2023			
Finance cost	-	851.00	851.00
Depreciation and amortisation expense	1,074.76	196.27	1,271.03
Capital expenditure during the year	2,775.50	291.29	3,066.79

(d) Information about geographical segment

Revenue by geographical markets	Year ended 31st March 2024	Year ended 31st March 2023
India	**10,406.88**	**10,632.34**
Outside India		
Switzerland	17,615.62	14,866.67
Germany	1,113.16	697.93
Czech Republic	538.71	817.15
France	586.20	440.33
USA	2,847.85	1,960.09
United Kingdom	1,353.33	461.74
Portugal	216.91	-
China	139.10	356.69
Other Countries	244.75	247.67
Total outside India	**24,655.63**	**19,848.27**
Total	**35,062.51**	**30,480.61**

*In presenting the geographical information, segment revenue has been based on the geographic location of the customers.

(e) Major customer

Revenue from three customers of the Company's Precision and watch components segment is Rs.13,124.95 (Year ended 31st March 2023: Rs. 12,054.38) which individually constitute more than 10 percent of the Company's total revenue.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

40 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for taxation.

41 COMPANY AS A LESSEE

The Company has lease contracts for various items of plant and equipment, building and land used in its operations. Leases of plant and equipment generally have lease terms between 3-5 years, while buildings generally have lease terms between 1-10 years, while leasehold land has lease term of 99 years. The Company obligations under its leases are secured by the lessor's title to the leased assets.

The Company has certain leases with lease terms of 12 months or less and certain leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Plant and equipment	Building	Leasehold land*	Total
As at 1st April 2022	**102.22**	**286.33**	**541.92**	**930.48**
Additions	74.35	-	-	74.35
Prepaid portion of security deposits	-	1.03	-	1.03
Deletions	-	-	-	-
Depreciation expense	(103.67)	(118.89)	(6.31)	(228.87)
As at 31st March 2023	**72.90**	**168.47**	**535.62**	**776.99**

Particulars	Plant and equipment	Building	Leasehold land*	Total
As at 1st April 2023	**72.90**	**168.47**	**535.62**	**776.99**
Additions	306.99	110.66	-	417.65
Prepaid portion of security deposits	-	-	-	-
Deletions	-	-	-	-
Depreciation expense	(113.01)	(95.91)	(6.28)	(215.20)
As at 31st March 2024	**266.88**	**183.23**	**529.34**	**979.44**

* Includes leasehold land of Rs. 5.67 (31st March 2023: Rs. 5.67) situated at Parwanoo for which the Company is in the process of completing formalities for transferring the title deed in its own name.

The carrying amounts of lease liabilities and the movements during the year:

Particulars	Total
As at 1st April 2022	478.09
Additions	74.35
Deletions	-
Accretion of interest	46.99
Payments	(293.56)
As at 31st March 2023	**305.88**

Particulars	Total
As at 1st April 2023	**305.88**
Additions	417.65
Deletions	-
Accretion of interest	74.05
Payments	(353.40)
As at 31st March 2024	**444.17**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

	31st March 2024	31st March 2023
Current	150.44	178.45
Non-current	293.73	127.43
	444.17	**305.88**

The details regarding the maturity analysis of lease liabilities as at 31st March 2024 and 31st March 2023 on an undiscounted basis is disclosed in Note 34.

Considering the lease term of the leases, the effective interest rate for lease liabilities is 11.98%.

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.

The following are the amounts recognised in profit and loss for the year ended 31st March 2023 and 31st March 2024:

For the year ended 31st March 2023

Particulars	Plant and equipment	Building	Land	Investment property	Total
Depreciation expense of right-of-use assets and investment property	103.65	118.89	6.31	12.16	241.01
Interest expense on lease liabilities	10.28	36.71	-	-	46.99
Expense relating to short-term leases (included in other expenses)	-	22.91	-	-	22.91
Total amount recognised in profit and loss	**113.93**	**178.51**	**6.31**	**12.16**	**310.90**

For the year ended 31st March 2024

Particulars	Plant and equipment	Building	Land	Investment property	Total
Depreciation expense of right-of-use assets and investment property	113.01	95.91	6.28	47.68	262.88
Interest expense on lease liabilities	43.82	30.23	-	-	74.05
Expense relating to short-term leases (included in other expenses)	-	18.94	-	-	18.94
Total amount recognised in profit and loss	**156.82**	**145.08**	**6.28**	**47.68**	**355.86**

The Company had total cash outflows for leases of Rs. 432.77 in 31st March 2024 (Rs. 316.47 in 31st March 2023). (Excluding rent expenses Capitalised during the year Rs. 199.64 (Rs. 12.53 in 31st March 2023)

Company as a lessor

The Company has entered into operating lease on its investment property portfolio consisting of building. This lease has term of 19 months. The lease include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Company on this property during the year is Rs. 42.00 (31st March 2023: Rs. 27.97). The Investment property comprises of the sub lease portion of the right-of-use asset and therefore, the fair value of the investment property cannot be measured reliably.

The carrying amounts of investment property recognised and the movements during the year:

Particulars	Total
As at 1st April 2022	12.16
Depreciation expense	(12.16)
As at 31st March 2023	-

Particulars	Total
As at 1st April 2023	-
Additions	60.40
Depreciation expense	(47.68)
As at 31st March 2024	**12.72**

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

42 DISCLOSURES PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013:

		As at 31st March 2024	As at 31st March 2023
a)	**Investment ***		
	Investment in subsidiary: Pylania SA		
	Balance as at the year end	195.57	281.24
	Maximum amount outstanding at any time during the year	281.24	281.24
	Investment in subsidiary: Ethos Limited		
	Balance as at the year end	11,720.27	11,371.40
	Maximum amount outstanding at any time during the year	11,769.27	11,385.41
	Investment in subsidiary: Mahen Distribution Limited		
	Balance as at the year end	936.00	936.00
	Maximum amount outstanding at any time during the year	936.00	936.00
	Investment in subsidiary: Kamla International Holdings SA		
	Balance as at the year end	72.55	1,944.36
	Maximum amount outstanding at any time during the year	1,944.36	1,944.36
	Investment in subsidiary: Kamla Tesio Dials Limited		
	Balance as at the year end	43.40	30.46
	Maximum amount outstanding at any time during the year	43.40	30.46
	Investment in subsidiary: Silvercity Brands AG		
	Balance as at the year end	740.94	-
	Maximum amount outstanding at any time during the year	740.94	-
	Investment in Company: Karolview Developers Private Limited		
	Balance as at the year end	43.55	43.65
	Maximum amount outstanding at any time during the year	43.65	43.70
	Investment in Company: Shivalik Waste Management Limited		
	Balance as at the year end	6.43	5.74
	Maximum amount outstanding at any time during the year	6.43	5.74
b)	**Guarantees given**		
	Guarantees given to subsidiaries:		
	Balance as at the year end		
	Estima AG	-	785.90
	Pylania SA	1,698.22	1,696.83
	(Guarantees have been given for the purpose of borrowings taken by subsidiary company)		

* Investments are net off provision for diminution in the value of investment, other than temporary.

43 LIST OF SUBSIDIARIES WITH OWNERSHIP % AND PLACE OF BUSINESS:

	Principal place of business	Method used to account for the investment	Proportion of ownership As at 31st March 2024	Proportion of ownership As at 31st March 2023
Subsidiaries				
Ethos Limited	India	At cost	47.03%	51.31%
Mahen Distribution Limited	India	At cost	100.00%	100.00%
Kamla International Holdings SA	Switzerland	At cost	100.00%	100.00%
Pylania SA	Switzerland	At cost	37.75%	37.75%
Kamla Tesio Dials Limited	India	At cost	99.99%	69.99%
Silvercity Brands AG	Switzerland	At cost	25.00%	0.00%

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

44 RATIO ANALYSIS

Ratios	Numerator	Denominator	As at 31st March 2024	As at 31st March 2023	% Change	Remarks
Current Ratio	Current Assets	Current Liabilities	2.02	1.09	86.02%	Current Assets have been increased due to increase of new short term fixed deposits.
Debt Equity Ratio	Total Debt	Shareholder's Equity	0.18	0.33	(44.48%)	Reserves & Surplus have been increased during the year due to profitability and reduction in debts.
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	8.44	2.61	222.77%	The earnings for debt service has increased during the year due to dividend income and profit on sale of some non current investments.
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	67.68%	29.47%	129.62%	Profit has increased due to dividend income and profit on sale of some non current investments.
Inventory Turnover Ratio	Cost of goods sold	Average Total Inventory	1.93	2.27	(15.03%)	
Trade Receivable turnover Ratio	Net credit sales = Gross credit sales- sales return- export incentives	Average Trade Receivable	6.21	5.73	8.42%	
Trade Payable turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.48	3.59	(3.14%)	
Net Capital Turnover Ratio	Net credit sales = Gross credit sales- sales return- export incentives	Working capital = Current assets – Current liabilities	2.66	30.41	(91.24%)	Due to the increase in short-term fixed deposits, the company's current assets have increased significantly this year compared to revenue from operational activities.
Net Profit Ratio	Net Profit After Tax	Net credit sales = Gross credit sales - sales return- export incentives	63.55%	22.99%	176.44%	The revenue of the Company have improved significantly in the current year as against the previous year. This has led to an increase in net profit during the current year as compared to the previous year. The disposal of some non-current investments and dividend income have increased earnings even further.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

Ratios	Numerator	Denominator	As at 31st March 2024	As at 31st March 2023	% Change	Remarks
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	55.42%	28.70%	93.10%	Profit has increased due to dividend income and profit on sale of some non-current investments.
Return on Investment	Income on Investment	Average Investment	122.80%	7.54%	100.00%	Profit on sale of some part of non-current investments and dividend.

45 OTHER STATUTORY INFORMATION

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
2. The Company does not have any transactions with companies struck off.
3. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
4. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
5. The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) except disclosed in Note 47(c) with the understanding that the Intermediary shall:
   a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
   b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
6. The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
   a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
   b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
7. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

46 a) During the current year, impairment indicators were identified in relation to investment made in equity shares of a foreign subsidiary of the Company, Kamla International Holdings SA and Pylania SA. As on 31st March 2024, the Company is carrying investment of Rs. 2,225.60 in said subsidiaries. An impairment assessment has been carried out by comparing the carrying value of the investment in subsidiaries to its recoverable amount to determine whether an impairment provision was required to be recognised. Based on the above assessment, the Company has recognised impairment allowance in value of investment aggregating to Rs. 1,957.48.

b) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for (a) certain changes made using privileged / administrative access rights to the SAP application and / or the underlying database and (b) other software used to maintain books of accounts for two units of the Company. Further no instance of audit trail feature being tampered with was noted in respect of above said software.

c) During the previous year, the Company has granted loan of CHF 1,400,000 (Rs. 1,244.60) and made further investment of CHF 1,000,000 (Rs. 846.70) in equity shares of its wholly owned subsidiary Kamla International Holdings SA with a understanding that the subsidiary company will further invest these funds in wholly owned subsidiaries of the Group naming Pylania SA and Estima AG. Out of the total amount invested CHF 6,00,000 was unutilised as at 31st March 2023. Mentioned below are the details of balance fund utilised by the said subsidiary during the current year.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

Date	Particulars	Amount in CHF
Opening balance		
01-04-2023	Opening unutilized Fund Balance	6,00,000
		6,00,000
Cash outflow		
27.04.2023	Investment in Equity of Estima AG	1,44,000
25.05.2023	Loan to Estima AG	1,50,000
29.06.2023	Interest Payment to Holding Company	66,740
29.08.2023	Interest Payment to Holding Company	26,178
		3,86,918
Unutilised fund balance as at the year end		**2,13,082**

47 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

48 The Board of Directors at its meeting held on January 18, 2023, approved a proposal to buyback the equity shares of the Company through open market route. This scheme includes buy back of fully paid-up equity shares having a face value of Rs. 10 each of the Company at a price not exceeding Rs. 1200 per equity share ("Maximum Buyback Price") and for an aggregate amount not exceeding Rs. 2100 ("Maximum Buyback Size"), from the shareholders of the Company (other than the promoters, the promoters group and persons in control of the Company) payable in cash via "Open Market" route through the stock exchange mechanism which is less than 10% of the aggregate of the total paid-up share capital and free reserves of the Company, based on the latest audited standalone and audited consolidated financial statements of the Company as on 31st March, 2022, in accordance with the provisions under the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("Buyback Regulations"), as amended and the Companies Act, 2013, as amended, and other applicable provisions (the process hereinafter referred to as the "Buyback"). The Company has bought back 1,99,947 equity shares for an aggregate amount of Rs. 2100 Lacs being 1.57% of the total paid up equity share capital at average price of Rs. 1050 per equity share. The equity shares bought back were extinguished on February 14, 2023. Capital redemption reserve was created to the extent of share capital extinguished (Rs. 19.99 Lacs). The excess cost of buyback of Rs. 2103.69 (including Rs. 23.69 (net of tax) towards transaction cost of buy back) over par value of shares were offered from securities premium (Rs. 2080.00) and retained earnings (Rs.23.69) and corresponding tax on buyback of Rs. 484.86 were offset from retained earnings. Further Rs. 7.86 (net of tax) related to buy back of expenses is charged to other equity in current year.

49 During the current year, the Company has sold 4,90,000 equity shares of Ethos Limited (subsidiary company) in the open market, pursuant to this sale the Company has accounted for gain on sale of shares amounting to Rs. 12,170.12 Lacs in other income. During the previous year Ethos Limited (subsidiary company) had made an offer for sale of equity shares held by its certain existing shareholders, which was agreed by these existing shareholders (including 1,40,081 equity shares held by the Company). Based on the above offer for sale, gain amounting to Rs. 1069.96 Lacs (net of share of offer expenses) was accounted for in other income during the previous financial year.

50 The Company had entered into an agreement dated January 1, 2022 with its subsidiary company i.e. Ethos Limited for transfer of brand-name "Ethos" and "Summit" (including trademarks, trade names, logos and all related rights) for an agreed amount of Rs. 3,900. Profit on sale of the aforesaid brands amounting to Rs. 3,900 was accounted for in other income during the previous year.

51 During the previous year, the Company had initiated the process of setting up of a new plant for manufacturing steel bracelets for watches. The expansion will be completed in next year. As on 31st March 2024, the Company has procured or given advances for procurement of machines and materials of Rs. 3,365.83. Also, the Company has received advance of Rs. 2,634.15 from a major customer for this product which will be adjusted against future sales to that customer.

52 During the current year, subsidiary company i.e Mahen distribution Limited declared an interin dividend of Rs. 120 per share amounting to Rs. 7,206.84, based on aforesaid declaration and subsequent receipt of dividend, the Company has accounted for such amount in other income during current financial year.

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

53 During current year, the Company has purchased 3,00,000 (30%) equity shares of its subsidiary Kamla Tesio Dials Limited amounting to CHF 13,970 (equivalent to Rs. 12.94 Lacs) from another subsidiary Kamla International Holding SA. The Company after completion of this transaction is directly holding 100% shareholding in Kamla Tesio Dials Limited earlier 30% of shareholding is held by Kamla International Holding SA.

54 The Shareholders in the annual general meeting dated 27th September 2022, approved one time value creation award amounting to Rs. 1,900 to Mr. Yashovardhan Saboo (Chairman & Managing Director) gain in the market value of the total investment of the Company in Ethos Limited upon successful completion of IPO of Ethos Limited. Based on the aforesaid approval, the Company has accounted Rs. 1,900 under Employee benefits expenses for year ended 31st March 2023.

55 During the current year, the Company has invested an amount of Rs. 740.94 Lacs against 15,00,000 equity shares of Swiss Franc CHF 1 each, partly paid up of Swiss Franc CHF 0.50 each in Silvercity Brands AG . The Company after completion of this transaction is directly holding 25% shareholding in Silvercity Brands AG.

As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI firm registration no.: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

Place: New Delhi
Date: 14th May 2024

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole Time Director and Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 14th May 2024

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of **KDDL Limited**

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of KDDL Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture comprising of the consolidated Balance sheet as at 31st March 2024, 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 Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint venture as at 31st March 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Group, joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 48 to the consolidated Ind AS financial statements, which describes that as per subsidiary's management assessment the recoverable amount of tangible assets of Estima AG is in excess of carrying amount thereof as at 31st March 2024. The auditors of Estima AG has also included an Emphasis of Matter in their audit opinion on the financial information of Estima AG for the year ended 31st March 2024.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended 31st March 2024. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matter
Inventory (*as described in Note 12 of the consolidated Ind AS financial statements*)	
Ethos Limited (the "company"), a subsidiary of the Holding Company is in business of trading of watches, accessories & luxury items and rendering of related after sale services. The total value of inventory as at 31st March 2024 is Rs. 43,969.18 lacs. These inventories mainly consist of watches at various stores of the company. The company has a plan wherein inventory is physically verified on a periodic basis to ascertain the existence of inventory. Also, the company's management reviews the inventory age listing to identify slow-moving and obsolete inventories and then estimates the amount of allowance. We have identified inventory existence and allowance of inventories as a key audit matter due to additional risk on account of number of stores at which inventory is kept and due to judgement exercised by the company's management in identifying the slow-moving and obsolete inventories and assessing the amount of allowance for inventories considering the nature of the retail industry.	Our audit procedures amongst others included the following: • We evaluated the design and tested the implementation of internal controls relating to physical inventory counts on a test basis, valuation of inventory and allowances for inventory; • We have reviewed the physical verification reports for the verification conducted by the management during the year. • Observed the stock take process at few stores post year end and reviewed the rollback reconciliation of stock to reconcile with the inventory as at 31st March 2024. We read and assessed Group's accounting policy with regard to inventories and its compliance with applicable accounting standards. • We analyzed the ageing and quantitative movement to analyze any significant variances. • We understood how the company's management identifies the slow-moving and obsolete inventories and assesses the amount of allowance for inventories. • We performed the substantive testing on the quantitative movement of inventory by selecting samples of sales and purchases made at the retail outlets and also tested the underlying sales to collection reports and bank statements. • We assessed and tested, on sample basis, the value at which the inventory is valued i.e. lower of cost or net realizable value after considering post period sales data, retrospective review of provision for inventory obsolescence, actual write offs, compared whether the watches have a continuing active market and obtain management representation for future salability. • We read and assessed the relevant disclosures related to inventories in the consolidated Ind AS financial statements.
Accounting of Leases as per Ind AS 116 (*as described in Note 44 of the consolidated Ind AS financial statements*)	
As described in Note 44 to the consolidated Ind AS financial statements, the Group, and its joint venture is following Ind AS 116 Leases (Ind AS 116 or the 'standard') for accounting various leases entered by the Group. In case of one of the subsidiary company, namely, Ethos Limited, the application and accounting of leases under Ind AS 116 is complex and is an area of focus in our audit as the company has a large number of leases with different contractual terms which involves evaluation as per the provisions of Ind AS 116 in case of any changes in terms of existing leases. Ind AS 116 requires the Group to recognize a right-of-use (ROU) asset and a lease liability arising from a lease arrangement on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Application of the Standard involves significant judgements and estimates including, determination of the discount rates and the lease term. Additionally, the Standard mandates remeasuring the carrying amount of lease liabilities and right of use assets to reflect any re-assessment or lease modification as per Ind AS 116 for any changes in lease /terms.	Our audit procedures included the following: • We assessed and tested processes and controls designed and implemented by the Group in respect of the lease accounting standard (Ind AS 116); • We assessed the Group's evaluation on the identification of leases based on the contractual agreements and our knowledge of the business; • We have evaluated the basis of determination of lease modification/re-assessment and related adjustments in case of lease terminations/modifications; • We tested the lease data by reviewing the reconciliation of company's operating lease commitments to data used in computing the ROU asset and the lease liabilities provided by the management; • We read and assessed the key terms and conditions of each lease with the underlying lease contracts;

Key audit matters	How our audit addressed the key audit matter
We have identified accounting of leases as a key audit matter as the application of this Standard is complex considering the number of leases with different contractual terms and adjustment to the carrying amount of lease liabilities and right of use assets on the balance sheet date to reflect changes in terms of existing leases.	• We have evaluated the computation of lease liabilities and assessed the underlying assumptions, estimates including the applicable discount rates and the lease term. • We assessed the Group's presentation and disclosures related to Ind AS 116.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 the 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended 31st March 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of seven subsidiaries, whose financial statements include total assets of Rs 62,401.98 lacs as at 31st March 2024, and total revenues of Rs 7,056.65 lacs and net cash inflows of Rs 1601.46 lacs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 74.09 lacs for the year ended 31st March 2024, as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of such other auditors.

Four of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditors under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of two subsidiaries, whose financial statements and other financial information reflect total assets of Rs. 118.22 lacs as at 31st March 2024, and total revenues of Rs Nil and net cash inflows of Rs 118.22 lacs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of such subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and joint venture company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the **"Annexure 1"** a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

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

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint venture, none of the directors of the Group's companies, and its joint venture, incorporated in India, is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. Based on the consideration of reports of other auditors, the provisions of clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") are not applicable to four subsidiary companies incorporated in India, five subsidiary companies incorporated outside India, and a joint venture company incorporated in India;

(h) In our opinion, the managerial remuneration for the year ended 31st March 2024 has been paid / provided by the Holding Company and its subsidiary company incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act. Based on the consideration of reports of other auditors, the provisions of Section 197 read with Schedule V to the Act are not applicable to four subsidiary companies incorporated in India, five subsidiary companies incorporated outside India, and a joint venture company incorporated in India;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, and joint venture in its consolidated Ind AS financial statements – Refer Note 40(i) to the consolidated Ind AS financial statements;

ii. The Group, and its joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31st March 2024;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and joint venture, incorporated in India during the year ended 31st March 2024.

iv. a) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, other than as disclosed in the Note 57 to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and joint venture to or in any other person or entity, including foreign entities ("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 respective Holding Company or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, as disclosed in the Note 56 to the consolidated Ind AS financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries, and joint venture from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, and joint venture 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with Section 123 of the Act. Also, as stated in note 37(ii) to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 49 to the financial statements, the Holding Company, subsidiaries and joint venture have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries and joint venture did not come across any instance of audit trail feature being tampered in respect of accounting software.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921
UDIN: 24087921BKAQDD1821

Place of Signature: New Delhi
Date: 14th May 2024

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR AUDIT REPORT OF EVEN DATE

Re: KDDL Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Group 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 state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No.	Name	CIN	Holding company/ subsidiaries/ joint venture	Clause number of the CARO report which is qualified or is adverse
1.	KDDL Limited	L33302HP1981PLC008123	Holding Company	Clause 3(vii)(a)

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921
UDIN: 24087921BKAQDD1821

Place of Signature: New Delhi
Date: 14th May 2024

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF KDDL LIMTED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated Ind AS financial statements of KDDL Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31st March 2024, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by 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 these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE CONSOLIDATED IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management

ANNEXURE 2 (Contd.)

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 Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921
UDIN: 24087921BKAQDD1821

Place of Signature: New Delhi
Date: 14th May 2024

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2024

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Note	As at 31st March 2024	As at 31st March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	19,659.59	18,742.36
Capital work-in-progress	3	4,163.97	1,341.64
Intangible assets	4	1,412.00	64.20
Intangible assets under development	4	512.48	-
Right-of-use assets	45	13,917.62	11,497.38
Investment properties	3(a)	-	213.36
Equity accounted investees	5	381.24	207.15
Financial assets			
- Investments	6	210.64	49.39
- Loans	7	140.11	81.76
- Other financial assets	8	3,289.99	2,781.49
Income tax asset (net)	9	503.50	584.38
Deferred tax assets (net)	10	1,824.13	1,780.41
Other non-current assets	11	690.94	1,446.59
Total non-current assets		**46,706.21**	**38,790.11**
Current assets			
Inventories	12	48,982.37	38,097.83
Financial assets			
- Trade receivables	13	7,063.44	6,243.24
- Cash and cash equivalents	14	23,897.06	5,836.58
- Other bank balances	15	29,079.87	20,784.50
- Loans	7	120.38	100.79
- Other financial assets	8	2,840.37	1,735.93
Other current assets	16	5,463.02	4,463.53
Total current assets		**1,17,446.51**	**77,262.40**
Total assets		**1,64,152.72**	**1,16,052.51**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,262.42	1,262.42
Other equity	18	72,133.10	44,366.32
Equity attributable to owners of the Company		**73,395.52**	**45,628.74**
Non-controlling interests	39	41,034.48	24,586.12
Total equity		**1,14,430.00**	**70,214.86**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	19	4,425.71	7,333.91
- Lease liabilities	45	11,642.29	9,332.41
- Other financial liabilities	20	183.62	204.52
Provisions	21	249.50	192.35
Deferred tax liabilities (net)	10	505.71	447.12
Total non-current liabilities		**17,006.83**	**17,510.31**
Current liabilities			
Financial liabilities			
- Borrowings	19	6,026.20	5,421.24
- Lease liabilities	45	2,929.47	2,557.79
- Trade payables	22		
- total outstanding dues of micro enterprises and small enterprises		441.44	159.05
- total outstanding dues of creditors other than micro enterprises and small enterprises		11,962.63	12,646.67
- Other financial liabilities	20	4,898.69	2,951.92
Other current liabilities	23	4,643.95	3,308.04
Provisions	21	1,082.79	1,066.36
Current tax liabilities (net)	24	730.72	216.27
Total current liabilities		**32,715.89**	**28,327.34**
Total liabilities		**49,722.72**	**45,837.65**
Total equity and liabilities		**1,64,152.72**	**1,16,052.51**
Material accounting policies	2		
Notes to the consolidated Ind AS financial statements	3-58		

The accompanying notes form an integral part of the consolidated Ind AS financial statements

As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI firm registration no.: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

Place: New Delhi
Date: 14th May 2024

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole Time Director and Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 14th May 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2024

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Note	Year ended 31st March 2024	Year ended 31st March 2023
Revenue from operations	25	1,39,103.20	1,11,944.51
Other income	26	2,874.20	1,931.43
Total income (I)		**1,41,977.40**	**1,13,875.94**
EXPENSES			
Cost of raw materials consumed	27	9,643.15	8,645.80
Purchases of stock-in-trade	28	79,882.47	63,385.06
Changes in inventories of finished goods, work-in-progress, stock-in-trade and scrap	29	(10,166.79)	(9,153.41)
Employee benefits expenses	30	18,573.04	17,400.38
Finance costs	31	2,622.37	2,396.01
Depreciation and amortisation expense	32	6,492.73	4,939.46
Other expenses	33	16,381.43	15,552.05
Total expenses (II)		**1,23,428.40**	**1,03,165.35**
Profit before share of equity accounted investees and income tax (III= I-II)		**18,549.00**	**10,710.59**
Share of profit/(loss) of equity accounted investees (net of income tax, if any) (IV)	5	74.09	49.68
Profit before income tax (V= III+IV)		**18,623.09**	**10,760.27**
Income tax expense:	34		
- Current tax		4,884.63	4,038.96
- Current tax for earlier years		(36.32)	(33.20)
- Deferred tax charge/(credit)		9.65	(942.35)
- Deferred tax charge for earlier years		19.95	(1.15)
Total income tax expense (VI)		**4,877.91**	**3,062.26**
Profit for the year (VII= V- VI)		**13,745.18**	**7,698.01**
Other comprehensive income / (expense)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit (liability) / asset		(134.41)	(44.90)
Income tax on remeasurement of defined benefit (liability) / asset		33.98	11.39
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(51.72)	(14.08)
Income tax on exchange differences on translation of foreign operations		11.02	-
Other comprehensive (expense) for the year (net of income tax)		**(141.13)**	**(47.59)**
Total comprehensive income for the year (net of income tax)		**13,604.05**	**7,650.42**
Profit attributable to:			
Owners of the Company		10,267.91	5,358.92
Non-controlling interest		3,477.27	2,339.09
Profit for the year		**13,745.18**	**7,698.01**
Other comprehensive income / (expense) attributable to:			
Owners of the Company		(122.63)	(50.59)
Non-controlling interest		(18.50)	3.00
Other comprehensive income / (expense) for the year		**(141.13)**	**(47.59)**
Total comprehensive income attributable to:			
Owners of the Company		10,145.28	5,308.32
Non-controlling interest		3,458.77	2,342.09
Total comprehensive income for the year		13,604.05	7,650.42
Earnings per share [nominal value of share Rs. 10 (previous year Rs. 10)]			
Basic (Rs.)	35	81.90	42.18
Diluted (Rs.)		81.90	42.18
Material accounting policies	2		
Notes to the consolidated Ind AS financial statements	3-58		

The accompanying notes form an integral part of the consolidated Ind AS financial statements

As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI firm registration no.: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

Place: New Delhi
Date: 14th May 2024

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole Time Director and Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 14th May 2024

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2024

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

A. EQUITY SHARE CAPITAL

	Note	Number of shares	Amount
Balance as at 1st April 2022	17	1,27,37,064	1,273.71
Share capital bought back during the year		(1,99,947)	(19.99)
Balance as at 31st March 2023	17	**1,25,37,117**	**1,253.72**
Changes in equity share capital during the year		-	-
Balance as at 31st March 2024		**1,25,37,117**	**1,253.72**

B. OTHER EQUITY

	Reserves and surplus						Other comprehensive income	Adjustment in other equity	Total other equity attributable to owners of the Company	Attributable to Non-controlling interest	Total
	Capital reserve	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings	Capital Redemption Reserve	Exchange differences on translation of foreign operations	Changes in proportion of non controlling interest*			
Balance as at 31st March 2022	**368.20**	**16,845.74**	**2,776.20**	**-**	**6,072.60**	**-**	**(38.04)**	**(2,057.03)**	**23,967.69**	**5,802.25**	**29,769.94**
Total comprehensive income for the year ended 31st March 2023											
Profit for the year	-	-	-	-	5,358.92	-	-	-	5,358.92	2,339.09	7,698.01
Other comprehensive income for the year (net of income tax)	-	-	-	-	(36.51)	-	(14.08)	-	(50.59)	3.00	(47.59)
	-	**-**	**-**	**-**	**5,322.41**	**-**	**(14.08)**	**-**	**5,308.33**	**2,342.09**	**7,650.42**
Proceeds from sale of shares of subsidiary (net of tax)	-	1,082.00	-	-	-	-	-	-	1,082.00	-	1,082.00
Issue of equity share for cash in a subsidiary company	-	21,834.09	-	-	-	-	-	(906.38)	20,927.71	16,572.29	37,500.00
Share issue expense	-	(3,531.05)	-	-	-	-	-	-	(3,531.05)	-	(3,531.05)
Buy back of equity shares	-	(2,080.00)	-	-	(19.99)	19.99	-	-	(2,080.00)	-	(2,080.00)
Expenses for buy back of equity shares (Net of tax)	-	-	-	-	(23.69)	-	-	-	(23.69)	-	(23.69)
Tax on buy back of equity shares	-	-	-	-	(484.86)	-	-	-	(484.86)	-	(484.86)
Dividend	-	-	-	-	(632.85)	-	-	-	(632.85)	-	(632.85)
	-	**17,305.04**	**-**	**-**	**(1,161.40)**	**19.99**	**-**	**(906.38)**	**15,257.26**	**16,572.29**	**31,829.55**
Changes in ownership interests in subsidiaries that do not result in loss of control											
Acquisition of non-controlling interests*	-	-	-	-	-	-	-	(166.96)	(166.96)	(130.51)	(297.47)
Total changes in ownership interests in subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(166.96)**	**(166.96)**	**(130.51)**	**(297.47)**
Balance as at 31st March 2023	**368.20**	**34,150.78**	**2,776.20**	**-**	**10,233.61**	**19.99**	**(52.12)**	**(3,130.36)**	**44,366.32**	**24,586.12**	**68,952.44**
Total comprehensive income for the year ended 31st March 2024											
Profit for the year	-	-	-	-	10,267.91	-	-	-	10,267.91	3,477.27	13,745.18
Other comprehensive income for the year (net of income tax)	-	-	-	-	(81.93)	-	(40.70)	-	(122.63)	(18.50)	(141.13)
	-	**-**	**-**	**-**	**10,185.98**	**-**	**(40.70)**	**-**	**10,145.28**	**3,458.77**	**13,604.05**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Reserves and surplus						Other comprehensive income	Adjustment in other equity	Total other equity attributable to owners of the Company	Attributable to Non-controlling interest	Total
	Capital reserve	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings	Capital Redemption Reserve	Exchange differences on translation of foreign operations	Changes in proportion of non controlling interest*			
Proceeds from sale of shares of subsidiary (net of tax)	-	20,985.26	-	-	-	-	-	-	20,985.26	-	20,985.26
Issue of equity share for cash in subsidiary companies	-	7,472.59	-	-	-	-	-	(638.23)	6,834.36	10,892.12	17,726.48
Share issue expense	-	(570.52)	-	-	-	-	-	-	(570.52)	-	(570.52)
Expenses for buy back of equity shares (Net of tax)	-	-	-	-	(7.86)	-	-	-	(7.86)	-	(7.86)
Dividend	-	-	-	-	(7,522.27)	-	-	-	(7,522.27)	-	(7,522.27)
	-	**27,887.33**	**-**	**-**	**(7,530.13)**	**-**	**-**	**(638.23)**	**19,718.97**	**10,892.12**	**30,611.09**
Changes in ownership interests in subsidiaries that do not result in loss of control											
Acquisition of non-controlling interests*	-	-	-	-	-	-	-	(2,097.47)	(2,097.47)	2,097.47	-
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	(2,097.47)	(2,097.47)	2,097.47	-
Balance as at 31st March 2024	**368.20**	**62,038.11**	**2,776.20**	**-**	**12,889.45**	**19.99**	**(92.82)**	**(5,866.06)**	**72,133.10**	**41,034.48**	**1,13,167.58**

* Adjustment to carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in the subsidiaries on account of changes in proportion of the equity held by non-controlling interests.

The accompanying notes form an integral part of the consolidated Ind AS financial statements

As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI firm registration no.: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

Place: New Delhi
Date: 14th May 2024

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole Time Director and Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 14th May 2024

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2024

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2024	Year ended 31st March 2023
Cash flow from operating activities		
Profit before income tax	18,623.09	10,760.27
Adjustments for:		
Depreciation and amortisation expenses	6,492.73	4,939.46
Property, plant and equipment written off	46.20	33.14
(Gain)/loss on sale of property, plant and equipment (net)	(63.00)	2.49
Advances / deposits / bad debts written off	44.95	21.18
Loss on sale of investment property	80.40	-
Interest expense	2,614.43	2,356.11
Interest income	(2,013.38)	(1,252.29)
Dividend income	(0.35)	(0.35)
Share of profit of equity accounted investees (net of income tax, if any)	(74.09)	(49.68)
Liabilities / provision no longer required written back	(177.84)	(147.69)
Expected credit loss on trade receivables/Provision for doubtful debts written back	(0.52)	(9.92)
Profit on deletion of lease liability & Right to use assets	(9.18)	(26.84)
Unrealised foreign exchange (gain)/ loss	33.33	(119.93)
Change in fair value of derivative contracts	(94.24)	13.67
Net change in fair value of financial assets (at FVTPL)	(22.75)	(0.68)
Effect of exchange rates on translation of operating cash flows	(51.72)	(14.08)
Operating cash flow before working capital changes	**25,427.06**	**16,504.85**
Changes in working capital:		
(Increase) in loans	(77.94)	(2.62)
(Increase) in other financial assets	(1,285.32)	(1,197.67)
(Increase)/ Decrease in other current and non current assets	(961.47)	94.87
(Increase) in inventories	(10,884.54)	(10,145.37)
(Increase) in trade receivables	(843.73)	(1,668.94)
(Decrease)/Increase in provisions	(60.83)	289.64
(Decrease)/Increase in trade payables	(312.79)	2,419.39
Increase in other financial liabilities	1,614.35	552.24
Increase in other current liabilities	1,395.76	1,597.01
Cash generated from operating activities	**14,009.55**	**8,443.41**
Income tax (paid), net	(4,222.73)	(3,855.84)
Net cash flow from operating activities (A)	**9,786.82**	**4,587.57**
Cash flow from investing activities		
Acquisition of property, plant and equipment (including capital work-in-progress, intangible assets, Intangible assets under development, capital advances and capital creditors)	(8,357.42)	(7,177.42)
Proceeds from sale of property, plant and equipment	951.82	123.58
Payment for purchase of investments in subsidiaries	-	(297.47)
Proceeds from sale of shares of subsidiary (net of tax)	20,985.26	1,082.00
Investment in equity accounted investees	(100.00)	-
Payment towards purchase of investments	(25.74)	(112.76)
Fixed deposit placed/matured (net)	(8,253.32)	(21,091.96)
Interest received	1,350.51	797.60
Dividend received	0.35	0.35
Net cash flow from/(used in) investing activities (B)	**6,552.45**	**(26,676.08)**
Cash flow from financing activities		
Proceeds from issue of equity share capital (including premium) in subsidiary	17,726.48	37,500.00
Share issue expenses	(570.52)	(3,531.05)
Buy Back of equity Shares	-	(2,099.99)
Expense on buy back of equity shares (net of tax)	(7.86)	(23.69)
Tax on buy back of equity shares	-	(484.86)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2024	Year ended 31st March 2023
Proceeds from non-current borrowings	1,227.85	3,387.64
Repayment of non-current borrowings	(1,899.61)	(6,072.75)
Proceeds from/repayments of current borrowings (net)	(1,631.49)	(58.03)
Principal portion of lease payments	(3,121.18)	(2,676.75)
Interest portion of lease payments	(1,589.21)	(1,208.06)
Interest paid	(919.91)	(1,349.01)
Dividend paid on equity shares	(7,493.35)	(661.77)
Net cash flow from financing activities (C)	**1,721.20**	**22,721.69**
Net increase in cash and cash equivalents (A+B+C)	**18,060.48**	**633.17**
Cash and cash equivalents at the beginning of the year	**5,836.58**	**5,203.41**
Cash and cash equivalents at the end of the year (see below)	**23,897.06**	**5,836.58**
Components of cash and cash equivalents:		
Balances with banks		
- in current accounts	3,417.95	4,619.96
- in cash credit accounts	618.86	74.60
Deposits with original maturity of less than three months	19,262.50	705.00
Cheques, drafts on hand	-	71.94
Cash on hand	256.86	112.25
Credit cards receivable	339.89	252.83
	23,897.06	**5,836.58**

2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows". Also, refer to note 2(t).

3. Refer note to 19 for reconciliation of movements of liabilities to cash flows arising from financing activities.

Significant accounting policies	2
Notes to the consolidated Ind AS financial statements	3-58

The accompanying notes form an integral part of the consolidated Ind AS financial statements

As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI firm registration no.: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

Place: New Delhi
Date: 14th May 2024

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole Time Director and Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 14th May 2024

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2024

CIN: L33302HP1981PLC008123

1. Corporate information

KDDL Limited ('the Company' or 'the Parent Company'), is a public limited company domiciled in India and was incorporated in January 1981 under the provisions of the Companies Act applicable in India. The Company is listed on BSE Limited and National Stock Exchange (NSE) of India Limited in India. The registered office of the Company is located at Plot No.3, Sector III, Parwanoo, Himachal Pradesh, India – 173220. The Corporate Identification Number (CIN) of the Company is L33302HP1981PLC008123.

These consolidated Ind AS financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in a joint venture. The Group is primarily engaged in the business of manufacturing dials, watch hands and precision components and retail trading of premium and luxury watches, accessories and other luxury items and rendering of related after sale services. Currently, the Group has its manufacturing facilities, at Parwanoo (Himachal Pradesh) and Derabassi (Punjab) – dial manufacturing, Bengaluru (Karnataka)- hands and precision components manufacturing and retail stores of watches across the country. From the previous year, the Group has initiated the process of setting up of a new plant for manufacturing steel bracelets for watches at Bangalore (Karnataka).

The consolidated Ind AS financial statements were approved for issue in accordance with a resolution of the directors on 14th May, 2024.

2. Material accounting policies information

2.1 Basis of preparation

The consolidated Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated Ind AS financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

The consolidated Ind AS financial statements provide comparative information in respect of the previous year.

Basis of measurement

The consolidated Ind AS financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value as required under relevant Ind AS.

- Certain financial assets and liabilities are measured at fair value (Refer accounting policy regarding financial instruments in Note p)
- Defined benefit plans- plan assets are measured at fair value

2.2 Summary of Material accounting policies

a. Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

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

b. Basis of consolidation

The consolidated Ind AS financial statements comprises the financial statement of the Group, and the entities controlled by the Group including its subsidiaries as at 31st March 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The consolidated Ind AS financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated Ind AS financial statements to ensure conformity with the Group's accounting policies.

The details of the consolidated entities are as follows:

S. No.	Name	Notes	Country of incorporation	31st March 2024 Percentage of Ownership	31st March 2023 Percentage of Ownership
1	Pylania SA	(a)	Switzerland	100.00%	100.00%
2	Kamla International Holdings SA		Switzerland	100.00%	100.00%
3	Ethos Limited*	(b)	India	53.83%	61.07%
4	Mahen Distribution Limited		India	100.00%	100.00%
5	Cognition Digital LLP**	(c)	India	99.99%	99.99%
6	Kamla Tesio Dials Limited		India	100.00%	100.00%
7	Estima AG	(d)	Switzerland	100.00%	100.00%
8	Pasadena Retail Private Limited	(e)	India	50.00%	50.00%
9	Silvercity Brands AG	(f)	Switzerland	93.83%	100.00%
10	Favre Leuba GmBH***	(g)	Switzerland	93.83%	-
11	RF Brands Private Limited****	(h)	India	53.83%	-

Notes:

(a) Includes 62.25% (31st March 2023: 62.25%) held through Kamla International Holdings SA

(b) Includes 6.80% (31st March 2023: 9.76%) held through Mahen Distribution Limited

(c) Includes 99.99% (31st March 2023: 99.99%) held through Ethos Limited.

(d) Includes 100.00% (31st March 2023: 100.00%) held through Kamla International Holdings SA and Pylania SA

(e) Includes 50% (31st March 2023: 50%) held through Ethos Limited.

(f) Includes 66.70% (31st March 2023: 100.00%) held through Ethos Limited and Mahen Distribution Limited.

(g) Includes 93.83% (31st March 2023: Nil) held through Silvercity Brands AG.

(h) Includes 53.83% (31st March 2023: Nil) held through Ethos Limited.

* During the year ended 31st March, 2024, the Group has sold 10,80,238 equity shares in open market of Ethos Limited. Post aforesaid sale, the consolidated shareholding of the Holding Company (directly and indirectly through its other subsidiary, Mahen Distribution Limited) in Ethos Limited as at 31st March 2024 is 53.83%.

** The percentage of holding denotes the share of profits in LLP.

*** Subsidiary incorporated during the year under Silvercity Brands AG.

**** Subsidiary incorporated during the year under Ethos Limited.

Consolidation procedure

(i) Business Combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated Ind AS financial statements from the date on which control commences until the date on which control ceases.

(iii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Non-controlling interests in the net assets (excluding good will) of consolidated subsidiaries are identified separately from the Group's equity. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

(iv) *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in Statement of Profit and Loss.

(v) *Equity accounted investees*

The Group's interests in equity accounted investees comprise interests in its joint venture.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint venture are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated Ind AS financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

(vi) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vii) *Foreign currency transactions*

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Statement of Profit and Loss.

(viii) *Foreign operations*

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements, branches) including goodwill and fair value adjustments arising on acquisition, are translated into Indian Rupees, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Indian Rupees at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Such exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

c. Property, plant and equipment ('PPE')

Recognition and measurement

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost of acquisition or construction which includes capitalised finance costs less accumulated depreciation and accumulated impairment loss, if any.

Recognition criteria

The cost of an item of property, plant and equipment is recognised as an asset if and only if,

(a) It is probable that future economic benefits associated with the item will flow to the entity, and

(b) The cost of the item can be measured reliably.

Capital work-in-progress comprises the cost of Property, plant and equipment that are not ready for their intended use at the reporting date net of accumulated impairment loss, if any. Advances paid towards acquisition of PPE outstanding at each Balance sheet date, are shown under other non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised.

Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss.

Depreciation on items of PPE of the Group's Indian entities is provided as per rates corresponding to the useful life specified in Schedule II to the Companies Act, 2013 read with related amendments. The estimated useful lives of items of property, plant and equipment for the current and comparative period are as follows:

Particulars	Useful life as per Schedule II	Management estimate of useful life
Buildings – factory	30 Years	30 Years
Roads	10 Years	10 Years
Plant and equipment*	15 Years	3- 15 Years
Furniture and fittings**	10 Years	3- 10 Years
Office equipment	5 Years	5 Years
Computers	3 Years	3 Years
Vehicles***	8 Years	5- 8 Years

Depreciation on improvements carried out on buildings taken on lease is provided over the period of the lease or useful life of assets, whichever is lower. Refer lease policy under section (p) of leases.

* The Parent Company, based on technical assessment made by technical expert and management estimate, depreciates tools included in plant and equipment over estimated useful lives of 3 and 15 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

** In one of the subsidiary company, furniture & fixture being in the nature of display furniture at stores are being depreciated over the estimated life of three years from the date of capitalisation on the basis of internal evaluation by the management basis which the management believes that this useful life best represents the period over which these asset will be used.

***The Parent Company based on new car policy which includes vehicle with option of sale to employee in Vehicles over estimated useful lives of 5 and 8 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

In case of one of the subsidiary company, on an item of property, plant and equipment discarded during the year, accelerated depreciation is provided upto the date on which such item of property, plant and equipment is discarded.

Depreciation on the property, plant and equipment of the Group's foreign subsidiary Pylania SA has been provided on straight-line method based on the estimated useful life of assets using the rates stated as follows:

Particulars	Rate
Buildings – Factory	1.5% to 8.5%
Plant and machinery	10% to 15%
Office equipment	8.5% to 15%
Motor vehicles	48%

Depreciation on the property, plant and equipment of the Group's foreign subsidiary Estima AG has been provided on straight-line method based on the estimated useful life of assets using the rates stated as follows

Particulars	Rate
Buildings – Factory	3.33%
Plant and machinery	6.67%
Furniture	10.00%
Office equipment	10.00%

Particulars	Rate
Motor vehicles	33.33%
Tools	33.33%

The depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use and disposal. Any gain or loss arising on derocogntion of the asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

d. Intangible assets

Acquired Intangible

Intangible assets that are acquired by the Group are measured initially at cost. Cost of an item of Intangible asset comprises

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation expense in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Technical know-how 4 Years
- Software 6 Years
- Brand 20 Years

Amortisation method, useful life and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Derecognition

Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible asset under development that are acquired by the Group comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- ➢ The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- ➢ Its intention to complete and its ability and intention to use or sell the asset
- ➢ How the asset will generate future economic benefits
- ➢ The availability of resources to complete the asset

The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

e. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group depreciates investment property over 20 years from the date of original purchase.

Though the Group measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. Transfers are made to (or from) investment properties only when there is a change in use.

Transfers between investment property and owner-occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

f. Inventories

Inventories are valued at the lower of cost and net realisable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Traded Goods	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Scrap	Net realisable value

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

g. Retirement and other employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., salaries and wages, and bonus etc., if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards employee provident fund and employee state insurance scheme ('ESI') to Government administered scheme which is a defined contribution plan. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Certain employees of the Parent Company are also participants in the superannuation plan ("the Plan"), a defined contribution plan. The Group makes contributions to Life Insurance Corporation of India (LIC). Contribution made by the Group to the plan during the year is charged to Statement of Profit and Loss. The social security costs, paid for the overseas employees by the Parent Company and paid by the overseas subsidiary, are in the nature of defined contribution schemes as per the laws of that country.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The administration of the gratuity scheme has been entrusted to the Life Insurance Corporation of India ('LIC'). The Group's net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability i.e. Gratuity, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). Remeasurements are not reclassified to profit or loss in subsequent periods. The Group determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then- net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit or Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Compensated absences

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Such obligation such as those related to compensate absences is measured on the basis of an annual independent actuarial valuation using the projected unit cost credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

they arise. The Group presents the leave liability as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

h. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the time of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future losses are not provided for.

i. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognised when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

j. Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

k. Revenue from contract with customer

Revenue from contracts with customers is recoganised when the control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangement because it typically controls goods or services before transferring them to the customers.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Also, in determining the transaction price for the sale of products, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

The Group disaggregates revenue from contracts with customers by geography.

Sale of services

The Group offers services in fixed term contracts and short term arrangement. Revenue from service is recognised when obligation is performed or services are rendered.

The Group earns revenue primarily from manufacturing of watches dials, watch hands and precision components, retail trading of premium and luxury watches, accessories and other luxury items and rendering related after sale services.

Right of return assets

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from the customer. The Group's refund liabilities arise from customers' right of return. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Customer loyalty programmes

For customer loyalty programmes, the fair value of the consideration received or receivable in respect of initial sale is allocated between the award credits and the other components of the sale. The amount allocated to award credits is deferred and is recognised as revenue when the award credits are redeemed and the Group has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the award credits will be redeemed.

Export benefits

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Contract balances

Trade Receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section of Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

l. Recognition of interest income or expense

Interest income or expense is accrued on a time basis and recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

m. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n. Taxes

Income tax comprises current and deferred tax. It is recognised in Profit or Loss except to the extent that it relates to a business combination or an item recognised directly in equity or in other comprehensive income.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current income tax assets and liabilities are measured at the amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences and, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the consolidated Ind AS financial statements and in other management reports.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax liabilities and assets and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authorities.

Sales/value added taxes/GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

o. Leases

Group as a lessee

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.

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 basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Plant and equipment	3- 5 Years
Building	1- 10 Years
Leasehold land	99 Years
Stores	2 – 10 Years
Furniture	4 – 5 Years

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 (r) Impairment of non-financial assets.

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.

Short term leases and leases of low-value assets

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

Group as a lessor

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

p. 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, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are 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 four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if 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

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, at initial recognition, the Group may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such adoption is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable adoption to present in other comprehensive income subsequent changes in the fair value. The Group makes such adoption on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss.

Impairment of financial assets

The Group recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flow due to the Group in accordance with the contract and the cash flow that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at the amortised cost is deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtors do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control 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 recognise 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.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss (FVPL)
- Financial liabilities at amortised cost (loans and borrowings)

A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

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

Derivative financial instruments

The Group uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

q. Impairment of non-financial assets

The Group's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine if there is indication of any impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash flows are grouped together into cash generating units (CGUs). Each CGU represents the smallest Group of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of as CGU (or an individual asset) is the higher of its value in use and fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

r. Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

s. Cash and cash equivalents

Cash and cash equivalents in the balance sheet include cash at banks and on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

t. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item 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.

u. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

v. Cash dividend

The Parent Company recognises a liability to pay dividend to equity holders of the Parent Company when the distribution is authorised and the distribution is no longer at the discretion of the Parent Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

w. Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

x. Foreign currencies

The consolidated Ind AS financial statements are presented in INR, which is also the Parent Company's functional currency. Functional currency is the currency of the primary economic environment in which the Group operates and is normally the currency in which the Group primarily generates and expends cash.

Transactions and balances

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The standalone financial statements are presented in INR. Functional currency is the currency of the primary economic environment in which the Company operates and is normally the currency in which the Company primarily generates and expends cash.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

y. Measurement of Fair value

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised 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 and 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 liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely 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 changes have occurred.

Further information about the assumptions made in measuring fair values used in preparing these consolidated Ind AS financial statements is included in the respective notes.

2.3 Changes in accounting policies and disclosures

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31st March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 01st April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Group's consolidated financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's consolidated financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 01st April 2022.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires 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. Uncertainty 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.

a) Determining the lease term of contracts with renewal and termination options – Group as lessee

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. The Group based its assumptions and estimates on parameters available when the 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.

Leases – Estimating the incremental borrowing 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 estimation 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 market interest rates) when available and is required to make certain entity-specific estimates.

b) Defined benefit plans

The present value of the gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates for the respective countries.

c) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

d) Useful life of Property, plant and equipment and intangibles

The management estimates the useful life and residual value of property, plant and equipment and other intangible assets. These assumptions are reviewed at each reporting date.

e) Contingencies

Refer note 40 for Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.

f) Impairment of financial assets

Refer note 2.2(q) for the policy to estimate the impairment of financial assets.

g) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

Refer note 2.2(r) for the policy to estimate the impairment of non-financial assets.

h) Leases – Estimating the incremental borrowing 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 estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

i) Provision for slow and obsolete inventory

Ethos Limited, a subsidiary of the Parent Company is in business of retail trading of premium and luxury watches, accessories and other luxury items and rendering of related after sale services and consists of inventory of watches at various stores of the subsidiary company. The subsidiary company on a periodic basis and at each reporting date assess the inventory age listing to identify slow-moving allowance and obsolete inventories and then estimates the amount of inventory provision. In doing so, it estimates the net relisable value of aged inventory based on current selling price of such/similar aged inventory and likely sales volume based discount offered and past sales trend. Also, the subsidiary company reviews catalogues of various brands to verify whether all inventory items are appearing in them.

2.5 Climate – related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the consolidated financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are Useful life of property, plant and equipment and Impairment of non-financial assets.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

Gross carrying amount

	Freehold land	Leasehold land	Buildings	Leasehold improvements	Plant and equipment	Furniture and fittings	Office equipment*	Vehicles	Total	Capital work in progress
Balance as at 1st April 2022	724.18	-	5,318.89	2,750.88	10,489.38	2,821.34	869.26	864.14	23,838.07	227.33
Additions (Refer to note c below)	-	-	697.12	933.43	904.05	833.15	342.17	1,100.21	4,810.13	1,921.73
Disposals/Capitalisation during the year	-	-	-	(234.41)	(80.14)	(129.34)	(125.29)	(241.22)	(810.41)	(807.42)#
Transferred to investment properties	(71.12)	-	-	-	-	-	-	-	(71.12)	-
Exchange differences on translation	63.14	-	121.02	-	144.52	27.64	8.81	2.34	367.48	-
Balance as at 31st March 2023	**716.20**	**-**	**6,137.02**	**3,449.91**	**11,457.81**	**3,552.79**	**1,094.94**	**1,725.47**	**28,134.15**	**1,341.64**
Additions (Refer to note c below)	-	-	146.93	1,021.76	810.84	1,122.90	309.45	1,222.15	4,634.03	4,479.62
Disposals/Capitalisation during the year	-	-	-	(109.78)	(110.76)	(22.24)	(52.13)	(1,198.65)	(1,493.56)	(1,657.29)#
Transferred to investment properties	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation	15.63	-	37.36	-	40.30	7.72	2.53	0.86	104.40	-
Balance as at 31st March 2024	**731.84**	**-**	**6,321.31**	**4,361.89**	**12,198.19**	**4,661.17**	**1,354.79**	**1,749.83**	**31,379.02**	**4,163.97**
Accumulated depreciation										
Balance as at 1st April 2022	-	-	641.40	1,298.70	4,263.27	919.71	478.83	244.29	7,846.21	-
Depreciation for the year	-	-	193.81	454.16	782.29	321.07	189.03	166.15	2,106.51	-
Disposals	-	-	-	(234.41)	(46.43)	(126.83)	(111.33)	(132.23)	(651.23)	-
Exchange differences on translation	-	-	14.40	-	60.85	8.77	3.95	2.33	90.30	-
Balance as at 31st March 2023	**-**	**-**	**849.61**	**1,518.45**	**5,059.98**	**1,122.72**	**560.48**	**280.54**	**9,391.78**	-
Depreciation for the year	-	-	216.44	672.69	839.90	473.60	251.78	254.54	2,708.95	-
Disposals	-		-	(109.78)	(67.54)	(19.26)	(23.49)	(181.99)	(402.06)	-
Transferred to investment properties	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation	-	-	3.09	-	14.74	1.65	0.71	0.61	20.80	-
Balance as at 31st March 2024	**-**	**-**	**1,069.14**	**2,081.36**	**5,847.08**	**1,578.71**	**789.48**	**353.70**	**11,719.43**	**-**
Carrying amounts (net)										
At 31st March 2023	**716.20**	**-**	**5,287.41**	**1,931.46**	**6,397.83**	**2,430.07**	**534.46**	**1,444.93**	**18,742.36**	**1,341.64**
At 31st March 2024	**731.84**	**-**	**5,252.17**	**2,280.53**	**6,351.11**	**3,082.46**	**565.31**	**1,396.13**	**19,659.59**	**4,163.97**

Notes:

a. Refer to note 19 for information on property, plant and equipment are pledged as security by the group.

b. Refer to note 41(ii) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c. The Group has capitalised the following expenses to the cost of property, plant and equipment/capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the group.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2024	Year ended 31st March 2023
Raw Material Consumed	158.41	1.31
Salaries and wages	363.59	36.15
Contributions to provident and other funds	49.71	0.49
Staff welfare expenses	42.23	2.81
Stores and spares consumed	91.79	-
Power, fuel and water charges	40.84	2.28
Contractual labour expenses	76.05	1.35
Insurance	4.86	-
Rent	280.19	108.51
Rates and Taxes	29.23	30.21
Repair & Maintenance- Building	6.04	1.37
Repairs and maintenance- others	51.88	28.08
Legal and professional fees	98.06	43.43
Travelling and conveyance	87.97	11.34
Bank charges	6.25	2.55
Printing and stationery	5.33	-
Communication expenses	6.67	1.17
Security service charges	21.11	3.58
Miscellaneous Expenses	23.16	3.03
Expenses capitalised by the Group	**1,443.40**	**277.65**

d. Addition amount is net of reimbursement received for property, plant and equipment by a subsidiary company of Rs.Nil as at 31st March 2024 (31st March 2023: Rs. 1.09) from brands.

e. Deletion amount includes re-imbursement received for property, plant and equipment by a subsidiary company of Rs. Nil (previous year Rs. 2.36) from brands.

Represents capital work in progress capitalised during the current year and previous year.

*Including block of computers.

Capital work in progress (CWIP) Ageing Schedule

As at 31st March 2024	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	3,372.71	685.76	-	10.98	**4,069.45**
Material purchased for inhouse development of tools	59.04	10.92	4.93	19.63	**94.52**
Projects temporarily suspended	-	-	-	-	**-**
Total	**3,431.75**	**696.68**	**4.93**	**30.61**	**4,163.97**

As at 31st March 2023	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	1,225.65	12.52	1.18	13.13	1,252.48
Material purchased for inhouse development of tools	49.13	11.86	6.25	21.92	89.16
Projects temporarily suspended	-	-	-	-	-
Total	**1,274.78**	**24.38**	**7.43**	**35.05**	**1,341.64**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

3 (A) INVESTMENT PROPERTIES

Cost

	Building	Total
Opening balance at 1st April 2022	469.68	469.68
Additions	-	-
Exchange differences on translation	45.94	45.94
Balance transfer from Property, plant and equipment	71.12	71.12
Disposal	-	-
Closing balance at 31st March 2023	**586.74**	**586.74**
Additions	-	-
Exchange differences on translation	-	-
Balance transfer from Property, plant and equipment	-	-
Disposals	(586.74)	(586.74)
Closing balance at 31st March 2024	**-**	**-**

Depreciation and impairment

	Building	Total
Opening balance at 1st April 2022	332.02	332.02
Exchange differences on translation	32.94	32.94
Depreciation for the year	8.42	8.42
Disposals	-	-
Closing balance at 31st March 2023	**373.38**	**373.38**
Exchange differences on translation	0.00	0.00
Depreciation for the year	3.74	3.74
Disposals	(377.12)	(377.12)
Closing balance at 31st March 2024	**-**	**-**

Carrying amount (net)

	Building	Total
31st March 2023	**213.36**	**213.36**
31st March 2024	**-**	**-**

Note:

(a) During the previous year, the group had transferred one of its land situated at Grandval, Switzerland from property, plant and equipment to investment property as it is not being used for business purpose and being held as investment property.

(b) The fair values of the properties as on 31st March 2024 are Rs. NIL (Previous year : Rs. 213.36). The concerned building is transferred to Investment property from existing property after a change in use, the management determined the fair value based on the best available quotation from the market.

(c) The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

4 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

Gross carrying amount

	Technical know-how	Softwares	Brands	Total	Intangible Assets under development*
Balance as at 1st April 2022	73.83	192.87	-	266.70	1.91
Additions	-	32.11	-	32.11	7.70
Disposals	-	(1.14)	-	(1.14)	(9.61)
Balance as at 31st March 2023	**73.83**	**223.84**	**-**	**297.67**	**-**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

	Technical know-how	Softwares	Brands	Total	Intangible Assets under development*
Additions	-	71.01	1,360.52	1,431.53	581.71
Disposals	-	-	-	-	(69.23)
Balance as at 31st March 2024	**73.83**	**294.85**	**1,360.52**	**1,729.20**	**512.48**

Accumulated amortisation

	Technical know-how	Softwares	Brands	Total	Intangible Assets under development*
Balance as at 1st April 2022	41.53	168.25	-	209.78	-
Amortisation for the year	10.81	13.99	-	24.80	-
Disposals	-	(1.11)	-	(1.11)	-
Balance as at 31st March 2023	**52.34**	**181.13**	**-**	**233.47**	**-**
Amortisation for the year	9.38	15.79	58.57	83.74	-
Disposals	-	-	-	-	-
Balance as at 31st March 2024	**61.72**	**196.92**	**58.57**	**317.20**	**-**

Carrying amount (net)

	Technical know-how	Softwares	Brands	Total	Intangible Assets under development*
Balance as at 31st March 2023	**21.49**	**42.71**	**-**	**64.20**	**-**
Balance as at 31st March 2024	**12.11**	**97.93**	**1,301.96**	**1,412.00**	**512.48**

*The Group has capitalised following expenses to the cost of Intangible assets under development in relation to design and development cost related to new watches.

	Year ended 31st March 2024	Year ended 31st March 2023
Salaries and other benefits	53.15	-
Consultancy Expenses	32.65	-
Expenses capitalised by the Group	**85.80**	**-**

Intangible assets under development (IAUD) Ageing Schedule

As at 31st March 2024	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	512.48	-	-	-	**512.48**
Total	**512.48**	**-**	**-**	**-**	**512.48**

As at 31st March 2023	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	-	-	-	-	**-**
Total	**-**	**-**	**-**	**-**	**-**

(All amounts are in Indian Rupees Lacs, except for share data)

5 EQUITY ACCOUNTED INVESTEES

	As at 31st March 2024	As at 31st March 2023
Non-current investments		
Unquoted investments (fully paid up)		
Investment in equity shares (at cost)		
of Joint venture:		
- Pasadena Retail Private Limited, 27,50,000 (31st March 2023: 17,50,000) equity shares of Rs. 10 each fully paid up	381.24	207.15
	381.24	**207.15**

	Note	As at 31st March 2024	As at 31st March 2023
Interest in joint venture	(a)	381.24	207.15
		381.24	**207.15**

(a) The following table summarises the financial information and the carrying amount of the Group's interest in joint venture:

Name of joint venture	Principal activity	Principal place of business	Percentage ownership interest	
			As at 31st March 2024	As at 31st March 2023
Pasadena Retail Private Limited	**Trading of luxury watches**	**India**	**50%**	**50%**

	As at 31st March 2024	As at 31st March 2023
Current assets [including cash and cash equivalents of Rs. 252.56 (31st March 2023: Rs. 39.60)]	902.89	598.97
Non-current assets [including deferred tax assets of Rs.3.89 (31st March 2023: Rs.8.85)]	706.97	164.17
Current liabilities [including current tax liabilities of Rs.7.37 (31st March 2023: Rs.4.10)]	276.65	331.38
Non-current liabilities	570.76	17.47
Net assets	**762.46**	**414.29**
Group's share of net assets (50%)	381.24	207.15
Carrying amount of the Company's interest in joint venture	**381.24**	**207.15**

	Year ended 31st March 2024	Year ended 31st March 2023
Revenue from operations	1,283.94	1,064.76
Other income	15.10	4.41
Purchases of stock-in-trade	(1,010.37)	(756.49)
Changes in inventories of stock-in-trade	120.35	22.79
Depreciation and amortisation expense	(90.80)	(88.59)
Finance costs	(15.47)	(25.40)
Other expenses	(102.15)	**(88.06)**
Profit before tax for the year	**200.58**	**133.42**
Tax expense		
- Current income tax (charge)	(47.45)	(33.10)
- Deferred tax (charge)	(4.97)	(0.97)

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2024	Year ended 31st March 2023
Other comprehensive income	-	-
Total comprehensive income	**148.17**	**99.35**
Group's share of profit (50%)	74.09	49.68
Group's share of other comprehensive income (50%)	-	-
Group's share of total comprehensive income	**74.09**	**49.68**

6 INVESTMENTS

	Note	As at 31st March 2024	As at 31st March 2023
Non-current investments			
Unquoted investments (fully paid up)			
Other Companies (Fair value through Profit or Loss):			
- Karolview Developers Private Limited 5,00,000 (31st March 2023: 5,00,000) equity shares of Rs.10 each fully paid up		43.55	43.65
- Shivalik Waste Management Limited 17,500 (31st March 2023: 17,500) equity shares of Rs. 10 each fully paid up		6.43	5.74
- Haute-Rive Watches SA 8,19,672 (31st March 2023: Nil) equity shares of CHF 0.01 each fully paid up	(a)	134.92	-
- Czapek & Cie SA 100 (31st March 2023: Nil) equity shares of CHF 280 each fully paid up	(b)	25.74	-
		210.64	**49.39**
Aggregate amount of unquoted investments		210.64	49.39

(a) The Subsidiary company Ethos Limited had acquired 6.25% of equity shares, in Switzerland based Company HAUTE-RIVE WATCHES SA, a new specialised watch making brand having registered office at Chemin des Virettes 11, Corcelles, NE for the consideration of CHF 1,25,000 (equivalent to Rs. 112.76 Lacs). The Subsidiary company had received the letter for allotment of equity shares on 28th April 2023.

(b) During the year ended 31st March 2024, a subsidairy Company Silvercity Brands AG has acquired 100 Shares with nominal value of CHF 1 (out of total 180'000 nominal shares) in CZAPEK & Cie SA (CZAPEK & Cie LTD), rue de la Corraterie 18, 1204 Genève on 13th July 2023. The Company is in the business of production and sale of luxury watches and jewelry products. Purchase consideration of 100 shares is paid @ CHF 280 per share with the total value paid is CHF 28'000.

7 LOANS* (AT AMORTISED COST)

(Unsecured and considered good)

	Non-Current		Current	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Loan to employees				
- to related parties (refer to note 42)	73.21	4.96	21.47	12.01
- to others	66.90	76.80	98.91	88.78
	140.11	**81.76**	**120.38**	**100.79**

*The Group's exposure to credit and currency risk, and loss allowances related to other non current financial assets are disclosed in note 36.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

8 OTHER FINANCIAL ASSETS

(Unsecured and considered good)

	Non-Current		Current	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Deposit accounts with original maturity more than 3 months and maturing after 12 months from the reporting date*	822.20	865.46	-	-
Derivatives financial instruments (Fair value through Profit or Loss)	-	-	90.00	3.05
Interest accrued but not due on deposits**	2.35	4.80	872.75	356.90
Recoverable from related parties (refer to note 42)	-	-	35.54	-
Recoverable from / balance with government authorities	-	-	529.17	183.73
Right to return assets	-	-	21.31	6.84
Security deposits	2,465.44	1,798.47	802.38	988.13
Recoverable from others#	-	-	486.99	207.79
Application Money in a company***	-	112.76	-	-
Interest receivable from related parties	-	-	2.23	-
Less: Allowance for bad and doubtful advances recoverable				
- Recoverable from others	-	-	-	(10.51)
	3,289.99	**2,781.49**	**2,840.37**	**1,735.93**

*These deposits include restricted bank deposits amounting to Rs. 821.99 (31st March 2023 : Rs. 115.24) on account of deposits pledged as security for bank guarantees.

**Includes interest on unutlised proeeds from Initial Public Offer (IPO) received amounting to Rs. 2.50 (31st March 2023: Rs. 306.25) which have been temporarily invested in deposits with scheduled banks. Refer note no. 54.

And also includes interest for the period from 3rd Nov 2023 to 31st March 2024 on unutilised proceeds from Qualified institutional placement (QIP) received amounitng to Rs.458.22 which have been temporarily invested in deposits with scheduled banks and kept in current account with scheduled bank and monitoring agency bank account. Refer note 47(a).

***The Subsidiary company had applied for equity rights of 6.25%, Switzerland based company “HAUTE-RIVE WATCHES SA”. The Subsidiary company had received the letter for allotment of equity shares on 28th April 2023.

Includes consideration receivable for sale of vehicle.

9 INCOME TAX ASSET (NET)

	As at 31st March 2024	As at 31st March 2023
Advance income-tax (net of provision)	503.50	584.38
	503.50	**584.38**

10 DEFERRED TAX ASSETS / (LIABILITIES) (NET)

	As at 31st March 2024	As at 31st March 2023
Deferred tax assets on		
- Expected credit loss allowance	5.33	5.46
- Provision for employee benefits	334.25	421.55
- Provision- other expense	34.85	38.57
- Intercompany profit elimination	919.79	919.80
- Lease liabilities	3,598.01	2,907.37

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

	As at 31st March 2024	As at 31st March 2023
- Exchange Differences on translation of foreign operations	11.02	-
- Others#	9.17	5.54
Deferred tax assets (A)	**4,912.42**	**4,298.29**
Deferred tax liabilities on		
- Excess depreciation as per Income Tax Act, 1961 over depreciation as per books (net)	451.02	441.29
- Income taxable on receipt basis under Income tax Act	7.27	7.27
- Gain on investments carried at fair value through profit and loss	5.58	-
- MTM gain on foreign exchange contracts	22.65	(1.07)
- Right of use assets	3,090.52	2,517.51
- Gain on investments accounted for using equity method	16.96	-
Deferred tax liability (B)	**3,594.00**	**2,965.00**
Net deferred tax assets / (liabilities) (A - B)	**1,318.42**	**1,333.29**
Aggregate of net deferred tax assets jurisdictions	1,824.13	1,780.41
Aggregate of net deferred tax liabilities jurisdictions	(505.71)	(447.12)
Net deferred tax assets / (liabilities)	**1,318.42**	**1,333.29**

Include primarily deposits amortisation and interest income thereon as per Ind AS 109.

2022-2023	As at 1st April 2022	Recognised in profit or loss during the year	Recognised in other comprehensive income	As at 31st March 2023
- Excess depreciation as per Income Tax Act, 1961 over depreciation as per books	(250.23)	(191.06)	-	(441.29)
- Income taxable on receipt basis under Income tax Act	(7.27)	-	-	(7.27)
- MTM Gain on foreign exchange contracts	(2.37)	3.44	-	1.07
- Expected credit allowance	15.26	(9.80)	-	5.46
- Intercompany profit elimination	0.71	919.09	-	919.80
- Provision for employee benefits	230.74	184.82	5.99	421.55
- Provision- other expense	37.95	0.62	-	38.57
- Lease liabilities	2,664.59	242.78	-	2,907.37
- Right of use assets	(2,310.11)	(207.40)		(2,517.51)
- Others#	4.52	1.02	-	5.54
	383.79	**943.51**	**5.99**	**1,333.29**

Include primarily deposits amortisation and interest income thereon as per Ind AS 109.

2023-2024	As at 1st April 2023	Recognised in profit or loss during the year	Recognised in other comprehensive income	As at 31st March 2024
- Excess depreciation as per Income Tax Act, 1961 over depreciation as per books	(441.29)	(9.73)	-	(451.02)
- Income taxable on receipt basis under Income tax Act	(7.27)	-	-	(7.27)
- Gain on investments carried at fair value through profit and loss	-	(5.58)	-	(5.58)
- MTM Gain on foreign exchange contracts	1.07	(23.72)	-	(22.65)
- Expected credit allowance	5.46	(0.13)	-	5.33
- Intercompany profit elimination	919.80	(0.01)	-	919.79
- Provision for employee benefits	421.55	(91.01)	3.71	334.25

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

2023-2024	As at 1st April 2023	Recognised in profit or loss during the year	Recognised in other comprehensive income	As at 31st March 2024
- Provision- other expense	38.57	(3.72)	-	34.85
- Lease liabilities	2,907.37	690.64	-	3,598.01
- Right of use assets	(2,517.51)	(573.01)	-	(3,090.52)
- Exchange Differences on translation of foreign operations	-	-	11.02	11.02
- Gain on investments accounted for using equity method	-	(16.96)	-	(16.96)
- Others#	5.54	3.63	-	9.17
	1,333.29	**(29.60)**	**14.73**	**1,318.42**

Include primarily deposits amortisation and interest income thereon as per Ind AS 109.

11 OTHER NON-CURRENT ASSETS

(Unsecured and considered good)

	As at 31st March 2024	As at 31st March 2023
Capital advances	593.41	1,311.03
Prepaid expenses	41.96	31.43
Recoverable from / balance with government authorities	55.57	104.13
	690.94	**1,446.59**

12 INVENTORIES

(at lower of cost and net realisable value)

	As at 31st March 2024	As at 31st March 2023
Raw materials*#	3,005.32	2,403.74
Work-in-progress	1,255.13	1,087.26
Finished goods	107.63	157.90
Stock in trade*^	44,031.76	33,984.55
Stores and spares	571.82	464.38
Scrap	10.71	-
	48,982.37	**38,097.83**
*Includes goods-in-transit:		
- Raw materials	141.87	40.71
- Stock in trade	97.66	120.75
#Provision for inventory		
- Raw materials	86.46	72.26
^The write down of inventories as at year end amounted to:		
- Stock in trade	132.44	40.40

One of the Subsidiary Company mainly is in business of retail trading of premium and luxury watches, accessories & luxury items and rendering of related after sale services and consists of inventory of watches at various stores of the Subsidiary Company. The Subsidiary Company on a periodic basis physically verifies the inventory and makes an assessment of the inventory age listing to identify the slow-moving and obsolete inventories. The exercise has been carried out throughout the year and also at the year end. Considering the fact that, the Subsidiary Company mainly is into the business of trading of high-end luxury watches, the holding period for the same is higher and identification of slow-moving and obsolete inventories involved judgements considering the nature of the retail industry.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

13 TRADE RECEIVABLES

(Unsecured, considered good, unless otherwise stated)

	As at 31st March 2024	As at 31st March 2023
Trade receivables from related parties (refer to note 42)	94.79	69.00
Trade receivables from others	6,985.33	6,213.02
Less : Allowance for expected credit loss	(16.68)	(38.78)
	7,063.44	**6,243.24**
Break-up of security details		
Trade receivable considered good- Unsecured	7,063.44	6,243.24
Trade receivable- credit impaired	1.00	34.87
Trade Receivables which have significant increase in Credit Risk	15.68	3.91
Impairment Allowance (allowance for doubtful debts)	**7,080.12**	**6,282.02**
Less : Allowance for expected credit loss	(16.68)	(38.78)
	7,063.44	**6,243.24**

Trade receivables are non-interest bearing and generally on terms of 0 to 120 days.

Trade receivables ageing schedule

As at 31st March 2024	Outstanding for following periods from the date of transaction					
	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	Total
Undisputed Trade Receivable- considered good	6,863.38	188.34	10.61	-	1.11	7,063.44
Udisputed Trade Receivable- which have significant increase in credit risk	15.68	-	-	-	-	15.68
Undisputed Trade Receivable- credit impaired	-	-	-	1.00	-	1.00
Disputed Trade Receivable- which have significant increase in credit risk*	-	-	-	-	-	-
Total	**6,879.06**	**188.34**	**10.61**	**1.00**	**1.11**	**7,080.12**

As at 31st March 2023	Outstanding for following periods from the date of transaction					
	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	Total
Undisputed Trade Receivable- considered good	6,100.12	79.28	46.60	1.11	16.13	6,243.24
Udisputed Trade Receivable- which have significant increase in credit risk	3.91	-	-	-	-	3.91
Undisputed Trade Receivable- credit impaired	-	-	1.00	-	33.87	34.87
Disputed Trade Receivable- which have significant increase in credit risk*	-	-	-	-	-	-
Total	**6,104.03**	**79.28**	**47.60**	**1.11**	**50.00**	**6,282.02**

The group's exposure to credit and currency risk and loss allowances related to trade receivable are disclosed in Note 36 (B).

14 CASH AND CASH EQUIVALENTS

	As at 31st March 2024	As at 31st March 2023
Balances with banks		
- in current accounts*	3,417.95	4,619.96
- in cash credit accounts	619.86	74.60
Cheques, drafts on hand	-	71.94
Cash on hand	256.86	112.25

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

	As at 31st March 2024	As at 31st March 2023
Others		
- Fixed Deposits with original maturity of less than 3 months**	19,262.50	705.00
- Credit cards receivable	339.89	252.83
	23,897.06	**5,836.58**

*Balance as on 31st March 2024 includes Rs. 59.84 (31st March 2023: Rs.133.09) balance of unutilised Initial Public Offer (IPO) procced with monitoring agency bank account. Refer note no. 54. Balance as on 31st March 2024 includes Rs. 0.64 balance of unutilised Qualified Institutional Placement (QIP) procced with monitoring agency bank account. Refer note 47(a).

**Fixed deposits include balance of Initial Public Offer (IPO) proceeds of Rs. 2603.00 (31st March 2023: Rs.500) which will be utilised as stated in the prospectus for IPO. Net unutilised proceeds from IPO as on 31st March 2024 have been temporarily invested in deposits with scheduled bank. Refer note no. 54.

15 OTHER BANK BALANCES

	Note	As at 31st March 2024	As at 31st March 2023
Deposit accounts with original maturity more than 3 months and maturing within 12 months from the reporting date	(a)	29,024.71	20,728.13
Balance in unclaimed dividend accounts		55.16	56.37
		29,079.87	**20,784.50**

Note:

(a) Deposits include restricted bank deposits amounting to Rs. 1568.49 (31st March 2023: Rs. 1133.97) on account of deposits pledged as security for deposits from shareholders, bank guarantee and margin money. Also, fixed deposits includes balance of qualified institutional placement (QIP) proceeds of Rs.16959 which will be utilised as stated in the preliminary placement document for QIP. Net unutilised proceeds from QIP as on 31st March 2024 have been temporarily invested in deposits with scheduled bank. Refer note no. 47(a). Balance as on 31st March 2023 includes, Rs. 19,000 received on account of Initial Public Offer (IPO).

16 OTHER CURRENT ASSETS

(Unsecured and considered good)

		As at 31st March 2024		As at 31st March 2023
Recoverable from / balance with government authorities		3,512.72		3,020.23
Duty Credit Scrips		23.57		16.17
Advances for supply of goods and services (refer to note 42 for related party disclosure)	1,304.53		855.51	
Advances for supply of goods and services- Credit impaired	4.49		4.49	
	1309.02		**860.00**	
Less: Impairment Allowance for advance of supply of goods and services- credit impaired	(4.49)	1,304.53	(4.49)	855.51
Advances to employees (refer to note 42 for related party disclosure)		197.07		116.12
Advances to related parties		4.22		15.39
Other advances#		84.21		55.04
Deposit under protest		52.53		52.53
Prepaid expenses		268.66		211.26
Advance payment for gratuity (Refer to note 41)		-		100.42
Prespent CSR expenditure (Refer to note 33)		15.51		20.86
		5,463.02		**4,463.53**

mainly includes amount recoverable from insurance company.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

17 EQUITY SHARE CAPITAL

(i) Details of share capital

	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs. 10 each.	2,80,00,000	2,800.00	2,80,00,000	2,800.00
	2,80,00,000	**2,800.00**	**2,80,00,000**	**2,800.00**
Issued				
Equity shares of Rs. 10 each	1,27,11,397	1,271.14	1,27,11,397	1,271.14
	1,27,11,397	**1,271.14**	**1,27,11,397**	**1,271.14**
Subscribed and paid up capital				
Equity shares of Rs. 10 each fully paid up	1,25,37,117	1,253.71	1,25,37,117	1,253.71
Forfeited equity shares of Rs.10 each	1,74,280	8.71	1,74,280	8.71
	1,27,11,397	**1,262.42**	**1,27,11,397**	**1,262.42**

(ii) Rights, preferences and restrictions attached to shares

The Parent Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Parent Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Parent Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Parent Company, the holders of equity shares will be entitled to receive the residual assets of the Parent Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iii) Reconciliation of the shares outstanding at beginning and at the end of the year

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	1,25,37,117	1,253.71	1,27,37,064	1,273.71
Add: shares issued during the year	-	-	-	-
Less: Shares extinguished on buy back during the year (Refer to Note 50)	-	-	1,99,947	19.99
Balance at the end of the year	**1,25,37,117**	**1,253.71**	**1,25,37,117**	**1,253.71**

(iv) Details of Equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:

	As at 31st March 2024		As at 31st March 2023	
	Number of shares	% of equity shares held	Number of shares	% of equity shares held
Yashovardhan Saboo*	22,14,664	17.66%	22,67,407	18.09%
Rajendra Kumar Saboo (RKS JS Family Trust)	14,16,683	11.30%	14,16,683	11.30%
Pranav Shankar Saboo	8,16,632	6.51%	7,99,051	6.37%
Jupiter India Fund	4,69,849	3.75%	6,72,521	5.36%

*Including shares held under HUF

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

(v) Equity shares of Rs. 10 each fully paid up held by

Promotors Shareholdings		As at 31st March 2024			As at 31st March 2023		
S. No.	**Promoter's Name**	**Number of shares**	**% of total shares**	**% change during the year**	**Number of shares**	**% of total shares**	**% change during the year**
1	Rajendra Kumar Saboo (HUF)	77,820	0.62%	0.00%	77,820	0.62%	0.01%
2	Yashovardhan Saboo (HUF)	-	0.00%	(0.44%)	55,052	0.44%	0.01%
3	Rajendra Kumar Saboo	1,591	0.01%	0.00%	1,591	0.01%	3.97%
4	Yashovardhan Saboo	22,14,664	17.66%	0.02%	22,12,355	17.65%	2.32%
5	Usha Devi Saboo	100	0.00%	0.00%	100	0.00%	0.00%
6	Anuradha Saboo	4,66,438	3.72%	0.14%	4,48,857	3.58%	0.15%
7	Asha Devi Saboo [Veena Kanoria Family Trust]	-	0.00%	(0.09%)	10,925	0.09%	(0.08%)
8	Satvika Saboo	1,68,909	1.35%	0.14%	1,51,328	1.21%	0.02%
9	Pranav Shankar Saboo	8,16,632	6.51%	0.14%	7,99,051	6.37%	0.10%
10	Vardhan Properties and Investment Private Limited	38,153	0.30%	0.02%	36,003	0.29%	0.00%
11	Dream Digital Technology Private Limited	29,415	0.23%	0.00%	29,415	0.23%	0.00%
12	Saboo Ventures LLP	65,915	0.53%	0.10%	52,840	0.42%	0.34%
13	Usha Devi Saboo (UDS JS Family Trust)	1,69,800	1.35%	0.00%	1,69,800	1.35%	0.02%
14	Rajendra Kumar Saboo (RKS JS Family Trust)	14,16,683	11.30%	0.00%	14,16,683	11.30%	0.31%
15	Swades Capital LLC	3,24,150	2.59%	0.00%	3,24,150	2.59%	0.04%
16	Rajendra Kumar Saboo (ASP Saboo Family Trust)	5,05,001	4.03%	0.00%	5,05,001	4.03%	4.03%
	Total	**62,95,271**	**50.21%**		**62,90,971**	**50.18%**	

(vi) Bonus shares, shares buyback and issue of shares for consideration other than cash (during five years immediately preceding 31st March 2024)

During the five years immediately preceding 31st March 2024, no bonus shares have been issued. In relation to Buy back, the Parent Company bought back 1,99,947 equity shares for an aggregate amount of Rs. 2099.99 being 1.57% of the total paid up equity share capital at average price of Rs. 1050 per equity share. The equity shares bought back were extinguished on 14th February 2023.

Further, no shares have been issued for consideration other than cash except during the year ended 31st March 2020, 16,500 equity shares of Rs. 10 each was issued under employee stock option plans for which only exercise price had been received in cash.

18 OTHER EQUITY

(also refer to Statement of Changes in Equity)

Nature and purpose of reserves

(i) Capital reserve

Reserve created under the scheme of arrangement Business combination. This will be utilised in accordance with the provisions of Companies Act, 2013.

(ii) Securities premium

Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders. This will be utilised in accordance with the applicable provisions of the Companies Act, 2013.

(iii) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, however, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

(iv) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Remeasurements of defined benefit obligation comprises actuarial gains and losses and return on plan assets (excluding interest income).

(v) Capital Redemption Reserve

The Parent Company had bought back 1,99,947 equity shares during the previous year. Accordingly, Section 69 of Companies Act, 2013 require to create capital redemption reserve equal to nominal value of shares bought back where the company purchases its own shares out of free reserves or security premium account. Therefore, the Company has transferred the amount equal to nominal value to capital redemption reserve out of its free reserves.

(vi) Exchange differences on translation of foreign operations

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

19 BORROWINGS

	Note	As at 31st March 2024	As at 31st March 2023
(i) Non-current borrowings			
Term-loans			
From banks (secured)	(a)	832.80	2,457.67
From others (secured)	(b)	1,877.53	2,814.54
		2,710.33	**5,272.21**
Deposits from shareholders and directors			
Related parties (unsecured) (refer to note 42)			
- From Directors	(c)	751.63	772.41
- From Others	(c)	641.89	433.17
From others (unsecured)	(c)	2,601.02	2,298.11
		3,994.54	**3,503.69**
Other loans			
From related parties (unsecured) (refer to note 42)	(d)	-	-
From banks (unsecured)	(d)	-	106.68
From others (unsecured)	(d)	450.55	355.60
		450.55	**462.28**
Total non-current borrowings (including current maturities)		**7,155.42**	**9,238.18**
Less : Current maturities of non-current borrowings (refer to note 19(i))		2,729.71	1,904.27
		4,425.71	**7,333.91**

(a) Vehicle loans from banks amounting to Rs. 308.09 (31st March 2023: Rs. 357.79) carrying interest rate in the range of 6.90% to 9.50% (previous year 6.90% to 9.50%) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of those loans. The loans are to be repaid as per the respective repayment schedule in equal monthly Instalments.

Vehicle loans from banks amounting to Rs.20.13 (31st March 2023: Rs.118.08) are secured against hypothecation of the specified vehicle purchased from proceeds of the said loan. The rate of interest on vehicle loans varies from 7.10% to 9.25% per annum (31st March 2023: 7.10% to 9.25%). The above loans are repayable in monthly instalments within a period of next one to three years as per repayment schedule.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

Term loan from Credit Suisse taken by subsidiary, Estima AG amounting to Rs. 504.58 (31st March 2023: Rs. 513.84) carrying 5% interest rate is secured against mortgage of property. The loan is to be repaid in 108 quarterly Instalments of Rs. 4.76 each.

Term loan from Credit Suisse taken by subsidiary, Pylania SA amounting to Rs. Nil (31st March 2023: Rs. 90.01) carried interest rate of 1.65% secured against mortgage of property and was repaid during the year.

Loan from SBI Bank taken by subsidiary Pylania SA, amounting to Rs. Nil (31st March 2023 : Rs. 1377.95) carried interest rate in the range of 1.60% to 2.25% and secured by standby letter of credit provided by holding company.

(b) Term loan from Tata Capital Financial Services Limited amounting to Rs. Nil (31st March 2023: Rs. 117.27) carried interest rate equal to LTLR less 8.75% (presently 10.80%) (previous year 10.80%) is secured by way of exclusive charge by way of mortgage over the freehold land & building of the borrower situated at plot number 296 & 297 (South western Portion) 5th Main, 4th Phase, Peenya Industrial Area, Bengaluru 560058 (Karnataka). The loan was to be repaid in 52 monthly Instalments of Rs. 14.65 as per the repayment schedule in equal annual Instalments commencing from 30th July 2018. The last instalment was repaid on 20th November 2023.

Term loan from Tata Capital Financial Services Limited amounting to Rs. Nil (31st March 2023: Rs. 18.77) carried interest rate equal to 10.80% (previous year 10.80%) was secured by way of exclusive charge by way of mortgage over the freehold land & building of the borrower situated at plot number 296 & 297 (South western Portion) 5th Main, 4th Phase, Peenya Industrial Area, Bengaluru 560058 (Karnataka). The loan was to be repaid in 4 monthly Instalments of Rs. 4.69 as per the repayment schedule in equal Instalments commencing from 20th August 2023. The last instalment was repaid on 20th November 2023.

Term loan from Bajaj Finance Limited amounting to Rs. Nil (31st March 2023: Rs. 158.63) carried interest rate of 9.35% (previous year 9.35%) was secured by way of first pari passu charge over movable fixed assets of the Parent Company (except for specific vehicles pledged against respective loans). The loan was to be repaid in 48 instalments of Rs.20.83 as per the repayment schedule in equal monthly Instalments commencing from 5th September 2019. The Last instalment was repaid on 5th December 2023.

Term loan from Bajaj Finance Limited amounting to Rs. 222.07 (31st March 2023: Rs. 444.44) carrying interest rate of 9.35% (previous year 9.35%) is secured by way of first pari passu charge over movable fixed assets of the Parent Company (except for specific vehicles pledged against respective loans). Also, it is secured by way of extention of charge over leasehold Land & building and Plant & machinery Constructed at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru on pari passu. The loan is to be repaid in 18 instalments of Rs. 55.55 as per the repayment schedule in equal quarterly Instalments commencing from 5th Sep 2021. The Last instalment would be paid on 5th March 2025.

Term loan from Bajaj Finance Limited amounting to Rs. 187.27 (31st March 2023: Rs. 357.83) carrying interest rate of 9.35% (previous year 9.35%) is secured by way of second pari passu charge over leasehold Land & building and Plant & machinery Constructed at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 48 instalments as per the repayment schedule commencing from 5th April 2022 with one year of moratorium from the drawdown. The last instalment would be paid on 5th March 2025.

Term loan from Bajaj Finance Limited amounting to Rs. 961.00 (31st March 2023: Rs. 1,234.56) carrying interest rate of 9.30% (previous year 9.30%) is secured by way of extention of charge on exclusive basis over leasehold Land & building and Plant & machinery Constructed at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 48 instalments as per the repayment schedule commencing from 5th January 2023 with one year of moratorium from the drawdown. The last instalment would be paid on 5th December 2026.

Vehicle loans from Toyota Financial Services India Limited amounting to Rs. 22.31 (31st March 2023: Rs. 32.98) carrying interest rate in range of 7.43% (previous year 7.43% to 9.50%) per annum is secured against hypothecation of specific vehicle purchased out of the proceeds of the loan. The loan is to be repaid as per the respective repayment schedule in equal monthly Instalments.

Term loan from RC Tritec taken by subsidiary Estima AG, amounting to Rs. 369.78 (31st March 2023 : Rs. 360.05) carrying interest rate of 5.00% is secured by hypothetication of machinery and equipment of the plant. The loan is also personally guaranteed by the Chairman and Chief Executive Officer (CEO) of the Group. The loan shall be repaid at the expiry of term of 4 years on 31st March 2026.

Secured Loan from independent sources taken by subsidiary Pylania SA, amounting to Rs. 92.45 (31st March 2023: Rs. 90.01) carrying interest rate of 5.00% is secured by hypothetication of machinery and equipment of the plant.

Vehicle loan from others amounting to Rs.22.65 (31st March 2023: Nil) is secured against hypothecation of the specified vehicle purchased from proceeds of the said loan. The rate of interest on vehicle loan is 8.88% per annum (31st March 2023: Nil). The above loan is repayable

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

in monthly instalments within a period of next one to four years as per repayment schedule.

(c) Deposits from shareholders and directors amounting to Rs. 3,367.47 (31st March 2023: Rs. 2,866.62) carrying interest rates in the range of 9.00% to 11.25% (previous year 9.50% to 11.25%) per annum are repayable in 1 years to 3 years from the respective dates of deposit.

Deposits from shareholders taken by subsidiary Ethos Limited, amounting to Rs. 627.07 (31st March 2023: Rs. 637.07) carrying interest rates in the range of 10.25% to 10.75% (previous year 10.25% to 10.75%) per annum and carry a maturity period from 24 to 36 months from the respective date of deposits.

(d) Unsecured bridged loan from Government loan taken by subsidiary Estima AG, amounting to Rs. 86.23 (31st March 2023 : Rs. 106.68). The loan is to be repaid after expiry of 5 years i.e. 31st March 2025.The loan is interest free.

Unsecured loan from Phillip Losser taken by subsidiary Estima AG, amounting to Rs. 364.32 (31st March 2023: Rs. 355.60) carries nil interest rate.

		Note	As at 31st March 2024	As at 31st March 2023
(ii)	**Current borrowings**			
	Loans repayable on demand			
	From banks (secured)	(a)	1,833.00	1,965.25
	Liability against utilisation of bill discounting facility			
	From bank (secured)	(b)	261.15	580.99
	Inter corporate deposits			
	Inter Corporate deposit from related parties (unsecured) (refer to note 42)	(c)	-	150.00
	Deposits from shareholders / directors			
	Related parties (unsecured) (refer to note 42)			
	- From Directors	(d)	297.16	182.96
	- From Others	(d)	315.60	215.49
	From others (unsecured)	(d)	589.58	422.28
	Current maturities of non-current borrowings [refer note to 19(i)]		2,729.71	1,904.27
			6,026.20	**5,421.24**

Notes:

(a) Working capital borrowings from banks amounting to Rs. 237.55 (31st March 2023: Rs. 1032.67) carrying interest rate varying from 8.60% to 11.85% (previous year 6.25% to 11.60%) per annum are secured by hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other assets of the Parent Company (both present and future), on pari passu basis and are further secured by a second charge on the entire fixed assets of the Holding company and immovable property situated at Haibtapur Road, Saddomajra, Derabassi, Mohali,Punjab. (no first charge created on this property)

The cash credit and overdraft facilities taken by subsidiary company, Estima AG amounting to Rs. Nil (31st March 2023: Rs. 766.72) from Bank of India are repayable on demand and secured by Standby letter of credit provided by the Holding Company. The rate of interest as on 31st March 2024 was 1.25% (31st March 2023: 1.25%) per annum. The said loan was repaid during the year.

The cash credit and overdraft facilities taken by subsidiary company, Estima AG amounting to Rs. 183.71 (31st March 2023: Rs. Rs. 165.86) from Credit suissee bank are repayable on demand and are secured by first parri passu charge by way of hypothecation on entire current assets of the subsidiary company. The rate of interest as on 31st March 2024 is 5.00% (31st March 2023: 5.00%) per annum.

Loan from SBI Bank taken by subsidiary Pylania SA, amounting to Rs. 1,411.74 (31st March 2023 : Rs. Nil) carrying interest rate in the range of 2.25% to 2.95% and secured by standby letter of credit provided by holding company.

(b) Liability against utilisation of bill discounting facility from bank amounting to Rs. 261.15 (31st March 2023: Rs. 580.99) carrying interest rate of 8.10% - 8.25% (previous year: 8.50% - 8.77%) per annum is hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other assets of the Parent Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed assets of the Holding Company and immovable property situated at Haibtapur Road, Saddomajra, Derabassi, Mohali, Punjab. (no first charge created on this property)

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

(c) Inter corporate deposits taken by subsidiary, Mahen Distribution Limited from related party amounting to Rs Nil (31st March 2023: Rs. 150.00) carried interest rate of 13.25% p.a. and is repayable within 6 months. The said loan is repaid during the year.

(d) Deposits from shareholders / directors taken by the Holding Company amounting to Rs. 1202.34 (31st March 2023: Rs. 776.86) carry interest rates in the range of 8.00% to 9.00% (previous year 8.00% to 9.00%) per annum and are repayable within 1 year from the respective dates of deposit.

- Deposits from shareholders / directors taken by subsidiary company, Ethos Limited amounting to Rs. Nil (31st March 2023: Rs. 43.87) carried interest rate of Nil (previous year: 9.50%) per annum and were repaid during the year.

The Group's Indian entities have filed quarterly statements of current assets with the banks in agreement with the books of accounts.

	Year ended 31st March 2024	Year ended 31st March 2023
Reconciliation of movements of liabilities to cash flows arising from financing activities		
Balance as at the beginning of the year (including current and non-current borrowings)*	**12,755.15**	**15,498.29**
Proceeds from non-current borrowings*	1,227.85	3,387.64
Repayment of non-current borrowings*	(1,899.61)	(6,072.75)
Repayments of / proceeds from current borrowings (net)	(1,631.48)	(58.03)
Balance as at the end of the year (including current and non-current borrowings)	**10,451.91**	**12,755.15**

*Non-current borrowings include current maturities of non-current borrowings

20 OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Derivatives Financial instruments (Fair value through statement of Profit and Loss)	-	-	-	7.29
Interest accrued but not due (refer to note 42)	182.56	203.46	301.59	173.28
Unpaid dividends #	-	-	55.18	27.47
Capital creditors	-	-	602.47	418.78
Employee related payables (refer to note 42)	-	-	3,898.20	2,312.72
Security deposits	1.06	1.06	-	-
Refund liabilities	-	-	41.25	12.38
	183.62	**204.52**	**4,898.69**	**2,951.92**

#not due for deposit to investor education and protection fund

21 PROVISIONS

Particulars	Non-Current		Current	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Provisions for employee benefits (refer to note 41)				
Liability for gratuity	249.50	192.35	156.52	37.79
Liability for Employee Incentive*	-	-	-	300.00
Liability for compensated absences	-	-	926.27	728.57
	249.50	**192.35**	**1,082.79**	**1,066.36**

*Provision for employee incentive relates to provision made for likely payout of incentive to employees.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

Provision for Employee Incentive	31st March 2024	31st March 2023
Opening balance	**300.00**	-
Additions	-	300.00
Reversal/Utilisation	300.00	-
Closing balance	-	**300.00**

22 TRADE PAYABLES

	As at 31st March 2024	As at 31st March 2023
Dues of Micro Enterprises and Small Enterprises (refer to note below)	441.44	159.05
Trade payables to related parties (refer to note 42)	3.53	80.92
Other trade payables	11,959.10	12,565.75
	11,962.63	12,646.67
	12,404.07	**12,805.72**

Trade Payable Ageing Schedule

As at 31st March 2024	Outstanding for following periods from the date of transaction*					
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	259.64	182.02	-	-	-	**441.66**
Total outstanding dues of creditors other than micro enterprises and small enterprises	913.17	10,614.88	95.78	2.52	6.03	**11,632.38**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	17.08	4.89	308.07	**330.04**
Total	**1,172.81**	**10,796.90**	**112.86**	**7.41**	**314.10**	**12,404.08**

As at 31st March 2023	Outstanding for following periods from the date of transaction *					
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	3.79	155.26	-	-	-	**159.05**
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,673.71	10,470.12	5.91	1.51	8.42	**12,159.67**
Disputed dues of creditors other than micro enterprises and small enterprises	-	0.77	76.96	268.23	141.04	**487.00**
Total	**1,677.50**	**10,626.15**	**82.87**	**269.74**	**149.46**	**12,805.72**

*Note: Disputed dues of creditors mentioned above includes certain balances which are not paid on account of pending reconciliation with vendor. Payment for these balances will be released after final reconciliation with vendors.

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26th August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Group as under:

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	As at 31st March 2024	As at 31st March 2023
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year		
- Principal	434.93	153.01
- Interest	6.51	6.04
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed date during each accounting year;	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during each accounting year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006;	4.26	3.79
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	6.51	6.04
(e) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	4.26	3.79

* The Group's exposure to currency and liquidity risk related to trade payables is disclosed in note 36B.

23 OTHER CURRENT LIABILITIES

	As at 31st March 2024	As at 31st March 2023
Advance from customers (refer to note 52)	3,491.03	2,155.53
Statutory dues	574.88	713.83
Deferred revenue	564.30	422.84
Interest payable	13.74	15.84
	4,643.95	**3,308.04**

Below is the movement of Deferred revenue:-

	As at 31st March 2024	As at 31st March 2023
Balance as at the beginning of the year	**422.84**	**262.65**
Add: Loyalty points created during the year	682.55	494.01
Less: Loyalty points redeemed/expired during the year	(541.09)	(333.82)
Balance as at the end of the year	**564.30**	**422.84**

24 CURRENT TAX LIABILITIES (NET)

	As at 31st March 2024	As at 31st March 2023
Provision for income tax (net of advance tax)	730.72	216.27
	730.72	**216.27**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

25 REVENUE FROM OPERATIONS

	Year ended 31st March 2024	Year ended 31st March 2023
Sale of products	1,36,041.80	1,09,424.73
Sale of services	1,729.17	1,373.96
Other operating revenue		
Export incentives	437.68	367.03
Scrap sales	894.55	778.79
	1,39,103.20	**1,11,944.51**

Notes:

a) Revenue disaggregation as per industry vertical and geography has been included in segment information (refer to note 43).

b) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price is as follows:

	Year ended 31st March 2024	Year ended 31st March 2023
Revenue as per contracted price	1,39,244.66	1,12,104.70
Less: (Creation)/Redemption of loyalty points	(141.46)	(160.19)
Revenue recognised	**1,39,103.20**	**1,11,944.51**

Revenue from contract with the customers differ from the revenue as per contracted price due to factors such as loyalty points. The timing of revenue recognition for sale of products is when goods are transferred at a point of time. Customers are entitled to loyalty points on purchase of products which results in allocation of a portion of the transaction price to the loyalty points. Revenue is recognised when the points are redeemed. The Loyalty points can be redeemed within 15 months from the date of creation. The performance obligation in relation to sale of services is satisfied upon completion of service.

c) Revenue from contracts with customers disaggregated based on nature of products and services

	Year ended 31st March 2024	Year ended 31st March 2023
Revenue from sale of products		
- Precision and watch components	35,238.30	29,807.82
- Watch and watch accessories	99,302.59	78,346.33
- Others	1,500.40	1,270.58
Sale of services	1,729.17	1,373.96
Other operating revenue	894.55	778.79
	1,38,665.52	**1,11,577.48**
Set out below is the revenue from contracts with customers and reconciliation to Statement of profit and loss		
Total revenue from contracts with customers	1,38,665.52	1,11,577.48
Add: Items not included in disaggregated revenue:		
- Export Incentives	437.68	367.03
Revenue from operations as per the statement of profit and loss	**1,39,103.20**	**1,11,944.51**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

d. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	Year ended 31st March 2024	Year ended 31st March 2023
Trade receivables (refer to note 13)	7,063.44	6,243.24
Advances from customers (refer to note 23)	3,491.03	2,155.53
Deferred revenue (refer to note No. 23)	564.30	422.84

26 OTHER INCOME

	Year ended 31st March 2024	Year ended 31st March 2023
Interest income		
Fixed deposits with banks*	1,835.53	1,116.83
Interest income from related parties* (refer to note 42)	3.24	1.03
Interest income from others*	174.61	134.43
Dividend income	0.35	0.35
Rental income	10.05	0.15
Liabilities / provision no longer required written back	177.84	147.69
Provision for doubtful debts written back	0.52	9.92
Exchange gain on foreign exchange fluctuations (net)	544.93	444.43
Net change in fair value of financial assets (at FVTPL)	22.75	0.68
Gain on sale of property plant and equipment	63.00	-
Miscellaneous income #	41.38	75.92
	2,874.20	**1,931.43**

*on financial assets at amortised cost

mainly includes gain on early termination of lease liabilities.

27 COST OF RAW MATERIALS CONSUMED

	Year ended 31st March 2024	Year ended 31st March 2023
Inventory of raw materials at the beginning of the year	2,403.74	1,624.77
Purchases of raw materials	10,244.73	9,424.77
	12,648.47	11,049.54
Less: Inventory of raw materials at the end of the year	3,005.32	2,403.74
	9,643.15	**8,645.80**

28 PURCHASE OF STOCK-IN-TRADE

	Year ended 31st March 2024	Year ended 31st March 2023
Purchase of stock-in-trade	79,882.47	63,385.06
	79,882.47	**63,385.06**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

29 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP

	Year ended 31st March 2024	Year ended 31st March 2023
Opening stock		
Work-in-progress	1,087.26	1,002.96
Finished goods	157.90	44.40
Stock-in-trade	33,984.55	24,988.19
Scrap	-	7.38
	35,229.71	**26,042.93**
Less:		
Closing stock		
Work-in-progress	1,255.13	1,087.26
Finished goods	107.63	157.90
Stock-in-trade	44,031.76	33,984.55
Scrap	10.71	-
	45,405.23	**35,229.71**
Adjustment for fluctuation in exchange rate	8.73	33.37
	(10,166.79)	**(9,153.41)**

30 EMPLOYEE BENEFITS EXPENSES

	Year ended 31st March 2024	Year ended 31st March 2023
Salaries, wages and bonus [refer to note 3 (c)]	16,935.35	16,046.25
Contributions to provident and other funds (refer to note 41)	929.12	776.35
Staff welfare expenses	708.57	577.78
	18,573.04	**17,400.38**

31 FINANCE COSTS

	Year ended 31st March 2024	Year ended 31st March 2023
Interest expense on financial liabilities measured at amortised cost	1,021.68	1,139.54
Interest on delay in deposit of income tax	3.54	8.51
Interest on lease liabilities (refer to note 44)	1,589.21	1,208.06
Other borrowing costs	7.94	39.90
	2,622.37	**2,396.01**

32 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31st March 2024	Year ended 31st March 2023
Depreciation on property, plant and equipment (refer to note 3)	2,708.95	2,106.51
Depreciation on investment property (refer to note 3(a))	3.74	8.42
Amortisation of intangible asset (refer to note 4)	83.74	24.80
Depreciation of Right-of-use assets (refer to note 44)	3696,30	2,799.73
	6,492.73	**4,939.46**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

33 OTHER EXPENSES

	Year ended 31st March 2024	Year ended 31st March 2023
Stores and spares consumed	1,414.26	1,249.56
Power, fuel and water charges	956.71	857.29
Contractual labour expenses	1,250.40	1,214.22
Insurance	180.81	166.37
Rent [(net of reimbursements of Rs. 13.11 (31st March 2023: Rs. 46.93)] [refer to note 45]	848.72	969.67
Rates and taxes	203.12	238.85
Repair and maintenance		
- Plant and machinery	369.92	359.37
- Buildings	179.38	179.17
- Others	1,174.81	945.20
Legal and professional fees	1,081.63	862.72
Travelling and conveyance	1,432.84	1,165.05
Job charges	1,294.55	1,196.46
Printing and stationery	85.97	68.90
Communication expenses	519.06	419.97
Commission	468.59	342.81
Events and exhibitions	81.47	106.41
Publicity and advertisement	2,143.45	2,763.36
Property, plant and equipment written off	46.20	33.14
Donation	4.92	7.24
Advances / deposits / bad debts written off (Refer to Note (b) below)	44.95	21.18
Loss on sale of property plant and equipment	-	2.49
Bank charges	661.36	664.71
Directors' sitting fees (refer to note 42)	69.05	138.03
Security service charges	137.33	127.05
Loss on sale of investment property	80.40	-
Cost of service rendered	455.18	449.20
Corporate social responsibility expenditure (Refer to Note (a) below)	126.00	56.19
Miscellaneous expenses	1,070.35	947.44
	16,381.43	**15,552.05**

Note (a): Detail of corporate social responsibility expenditure

	Year ended 31st March 2024	Year ended 31st March 2023
a. Amount required to be spent by the Company during the year	126.00	56.18
b. Amount spent during the year (in cash)		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above (refer to note 43 and note (c) below)	141.51	77.04
	141.51	**77.04**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2024	Year ended 31st March 2023
c. Details related to spent / unspent obligations:		
(i) Contribution		
- Healthcare activities related to Covid-19	-	13.63
- Supporting health activities	33.38	18.66
- Ensuring environmental sustainability*	97.13	29.33
- Promotion of education	11.00	15.42
(ii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
	141.51	**77.04**

	Year ended 31st March 2024	Year ended 31st March 2023
Excess CSR Expenditure incurred by the Holding Company and eligible to be set-off against the CSR Spending mandate of succeeding three financial years (Refer to Note 16)	15.51	20.86
	15.51	**20.86**

*During the year ending 31st March 2023, a subsidiary company has transferred an amount of Rs.11.96 to KDDL Ethos Foundation, a CSR registered implementing agency towards various objects as mentioned in Section 135 of the Companies Act, 2013. The CSR obligation transferred by the subsidiary company as at 31st March 2023 which has been set off with liability towards CSR activities have been utilised in various objects namely environmental sustainability, training etc

Note (b): Movement of Advances / deposits/Bad debts written off

	Year ended 31st March 2024	Year ended 31st March 2023
Bad debts / Advances written off	77.04	50.18
Less: Provision for doubtful debts / advances adjusted	(32.09)	(29.00)
	44.95	**21.18**

34 INCOME TAX EXPENSE

A. Amounts recognised in statement of profit and loss

	Year ended 31st March 2024	Year ended 31st March 2023
Current tax		
Current year	4,884.63	4,038.96
Changes in estimates related to prior years	(36.32)	(33.20)
	4,848.31	**4,005.76**
Deferred tax		
Attributable to–		
Origination and reversal of temporary differences	9.65	(942.35)
Changes in estimates related to prior years	19.95	(1.15)
	29.60	**(943.50)**
Tax expense for the year	**4,877.91**	**3,062.26**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

B. Reconciliation of effective tax rate

	Year ended 31st March 2024	Year ended 31st March 2023
Profit before share of equity accounted investees and income tax	**18,549.00**	**10,710.59**
Tax at the Indian tax rate *	4,610.83	2,614.27
Tax expense of foreign subsidiaries as per the laws in their country	53.01	74.02
Effect of expenses that are not deductible in determining taxable profit	37.14	25.13
Loss/income in subsidiaries (including consolidation adjustments) on which deferred tax has not been recognised	193.30	383.18
Effect of tax (benefit) / expense pertaining to prior years	(16.37)	(34.35)
Income tax expenses recognised in statement of profit and loss	**4,877.91**	**3,062.26**

*The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% (except for one of the subsidiary where applicable rate is 34.944 %) payable by corporate entities in India on taxable profits under the Indian tax law.

C. Income tax recognised in other comprehensive income

	Year ended 31st March 2024	Year ended 31st March 2023
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit liability (asset)	33.98	11.39
Exchange differences on translation of foreign operations	11.02	-
	45.00	**11.39**
Bifurcation of the income tax recognised in other comprehensive income into		
Items that will not be reclassified to profit or loss	33.98	11.39
Items that will be reclassified to profit or loss	11.02	-
	45.00	**11.39**

35 EARNINGS PER SHARE

		Year ended 31st March 2024	Year ended 31st March 2023
A.	Basic earnings per share		
i.	Profit for basic earning per share of Rs. 10 each		
	Profit attributable to Owners of the Company	10,267.91	5,358.92
ii.	Weighted average number of equity shares (for basic)		
	Balance at the beginning of the year		
	Effect of equity buyback	1,25,37,117	1,27,37,064
		-	(32,031)
		1,25,37,117	**1,27,05,033**
	Basic Earnings per share (face value of Rs 10 each)	**81.90**	**42.18**
B.	Diluted earnings per share		
i.	Profit for diluted earning per share of Rs. 10 each		
	Profit for the year	10,267.91	5,358.92
ii.	Weighted average number of equity shares (for diluted)		
	Balance at the beginning of the year	1,25,37,117	1,27,37,064
	Effect of equity buyback	-	(32,031)
		1,25,37,117	**1,27,05,033**
	Diluted earnings per share (face value of Rs. 10 each)	**81.90**	**42.18**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities including their level in the fair value hierarchy:

	Note	Level of hierarchy	As at 31st March 2024			As at 31st March 2023		
			FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets								
Non-current								
Non-derivative financial assets								
Investment in equity shares- other companies	(i)	3	210.64	-	-	49.39	-	-
Loans	(ii)	3	-	-	140.11	-	-	81.76
Other financial assets	(ii)	3	-	-	3,289.99	-	-	2,781.49
Current								
Non-derivative financial assets								
Trade receivables	(iii)	3	-	-	7,063.44	-	-	6,243.24
Cash and cash equivalents	(iii)	3	-	-	23,897.06	-	-	5,836.58
Other bank balances	(iii)	3	-	-	29,079.87	-	-	20,784.50
Loans	(iii)	3	-	-	120.38	-	-	100.79
Other financial assets	(iii)	2	-	-	2,750.37	-	-	1,732.88
Derivative financial assets								
Forward contracts	(iv)	2	90.00	-	-	3.05	-	-
Total financial assets			**300.64**	**-**	**66,341.22**	**52.44**	**-**	**37,561.24**
Financial liabilities								
Non-current								
Non-derivative financial liabilities								
Borrowings	(v)	3	-	-	4,425.71	-	-	7,333.91
Other financial liabilities	(iii)	3	-	-	183.62	-	-	204.52
Current								
Non-derivative financial liabilities								
Borrowings	(v)	3	-	-	6,026.20	-	-	5,421.24
Trade payables	(iii)	3	-	-	12,404.07	-	-	12,805.72
Other financial liabilities	(iii)	3	-	-	4,898.69	-	-	2,944.63
Derivative financial liabilities								
Forward contracts	(iv)	2	-	-	-	7.29	-	-
Total financial liabilities			**-**	**-**	**27,938.29**	**7.29**	**-**	**28,710.02**

Notes:

(i) The fair value in respect of unquoted equity investments cannot be reliably estimated. The Group has currently measured them at net book value as per the latest audited financial statements available.

(ii) Fair value of non-current financial assets and non-current financial liabilities has not been disclosed as there is no significant differences between carrying value and fair value.

(iii) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(iv) The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs include the credit quality of counter-parties and foreign exchange forward rates.

(v) The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

(vi) There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31st March 2024 and 31st March 2023.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

B. Financial risk management

(i) Risk management framework

The Parent Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to effect changes in market conditions and Group's activities. The Group, through its training and management standards and procedures, aims to maintain discipline and constructive control environment in which all employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to audit committee.

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see (ii))
- liquidity risk (see (iii))
- market risk (see (iv))
- product price risk (see (v))

(ii) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit risk exposure and arises principally from the Group and its JV's receivable from customers and loans.

Particulars	As at 31st March 2024	As at 31st March 2023
Non-derivative financial assets		
Investments	210.64	49.39
Trade receivables	7,063.44	6,243.24
Loans	260.49	182.55
Other financial assets	6,040.36	4,514.37
Derivative financial assets		
Forward contracts	90.00	3.05
	13,664.93	**10,992.60**

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties. The Group enters into derivative contracts with bank and financial institutions having high credit ratings.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

The Group's exposure to credit risk for trade receivables by geographic region is as follows:

	As at 31st March 2024	As at 31st March 2023
Within India	2,748.31	2,298.55
Outside India	4,315.13	3,944.69
	7,063.44	**6,243.24**

The Group based on internal assessment which is driven by the historical experience / current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.

Particulars	Gross carrying amount	Loss allowance	Carrying amount
31st March 2024			
Less than 6 Months	6,879.06	15.68	6,863.38
More than 6 Months	201.06	1.00	200.06
	7,080.12	**16.68**	**7,063.44**
31st March 2023			
Less than 6 Months	6,104.03	3.91	6,100.12
More than 6 Months	177.99	34.87	143.12
	6,282.02	**38.78**	**6,243.24**

The movement in the allowance for impairment in respect of trade receivables is as follows:

	As at 31st March 2024	As at 31st March 2023
Balance as at the beginning of the year	**38.78**	**51.99**
Provision created during the year	11.77	1.00
Provision utilised/reversed during the year	(33.87)	(17.06)
Exchange differences on translation of foreign operations	-	2.85
Balance as at the end of the year	**16.68**	**38.78**

The movement in the allowance for bad and doubtful advances/recoverable is as follows: (Refer Note 8 & 16)

	As at 31st March 2024	As at 31st March 2023
Balance as at the beginning of the year	**15.00**	**37.85**
Provision created during the year	-	-
Provision utilised/reversed during the year	(10.51)	(22.85)
Balance as at the end of the year	**4.49**	**15.00**

Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The loans primarily represents security deposits given and loans given to employees. The Group also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary. The management believes these to be high quality assets with negligible credit risk. The management believes the parties to which these deposits and loans have been given have strong capacity to meet the obligations and where the risk of default is negligible or nil and accordingly no provision for expected credit loss has been provided on these financial assets. Credit risk on cash and cash equivalents and bank deposits is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

(All amounts are in Indian Rupees Lacs, except for share data)

Cash and cash equivalents

The Group holds cash and cash equivalents of Rs.23,897.06 at 31st March 2024 (31st March 2023: Rs.5836.58). The cash and cash equivalents are mainly held with scheduled banks.

(iii) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group's approach to manage liquidity is to have sufficient liquidity to meet its liabilties when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that its liquidity position, including total cash and cash equivalents and other bank balances anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Group believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Group will continue to consider various borrowing or leasing options to maximise liquidity and supplement cash requirements as necessary. As at 31st March, 2024, the Group has available Rs. 4,826.03 (31st March 2023: Rs. 2,265.72) in form of undrawn committed borrowing limits.

The following table provides details regarding the contractual maturities of significant financial liabilities on an undiscounted basis:

	Less than 1 Year	1 to 5 Years	More than 5 Years	Total	Carrying amount
31st March 2024					
Non-derivative financial liabilities					
Borrowings	6,306.40	4,880.95	-	11,187.34	10,451.91
Trade payables	12,404.07	-	-	12,404.07	12,404.07
Other financial liabilities	4,898.69	183.62	-	5,082.31	5,082.31
Lease liabilities	4,359.72	12,665.93	1,740.07	18,765.72	14,571.76
	27,968.88	**17,730.49**	**1,740.07**	**47,439.44**	**42,510.05**
31st March 2023					
Non-derivative financial liabilities					
Borrowings	5,634.42	7,672.54	23.34	13,330.30	12,755.15
Trade payables	12,805.72	-	-	12,805.72	12,805.72
Other financial liabilities	2,951.92	204.52	-	3,156.44	3,156.44
Lease liabilities	3,704.42	9,584.40	2,476.32	15,765.14	11,890.20
	25,096.48	**17,461.47**	**2,499.66**	**45,057.60**	**40,607.51**

(iv) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

Exposure to interest rate risk

The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees and CHF with a mix of fixed and floating rates of interest. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The exposure of the Group's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

	As at 31st March 2024	As at 31st March 2023
Fixed rate borrowings	8,618.91	10,789.90
Floating rate borrowings	1,833.00	1,965.25
Total borrowings	**10,451.91**	**12,755.15**

Interest rate senstivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the proft or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or Loss	
	Strengthening	Weakening
For the year ended 31st March 2024		
Interest rate (0.50% movement)	9.17	(9.17)
For the year ended 31st March 2023		
Interest rate (0.50% movement)	9.83	(9.83)

b. Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating, investing and financing activities.

Unhedged foreign currency exposure

The following table provides details of the Group's exposure to currency risk:

Assets	As at 31st March 2024		As at 31st March 2023	
	Amount (Rs.)	Amount in foreign currency	Amount (Rs.)	Amount in foreign currency
Trade receivables				
USD	1,020.77	12.31	892.14	10.93
EUR	298.18	3.34	114.22	1.29
CHF	742.88	8.16	488.20	5.49
GBP	135.26	1.29	48.88	0.49
Other financial assets				
CHF	15.27	0.15	34.73	0.43
Bank balances in foreign currency				
CHF	147.38	1.60	27.21	0.31
USD	8.95	0.11	4.48	0.05
AED	-	-	-	-
AUD	1.02	0.02	-	-
CAD	-	-	-	-
EUR	0.27	0.00	1.96	0.02
Total (A)	**2,369.98**		**1,611.83**	

(All amounts are in Indian Rupees Lacs, except for share data)

Liabilities	As at 31st March 2024		As at 31st March 2023	
	Amount (Rs.)	Amount in foreign currency	Amount (Rs.)	Amount in foreign currency
Trade payables				
HKD	41.43	3.85	60.60	5.74
USD	304.41	3.65	235.00	2.86
EUR	62.17	0.69	229.26	2.57
CHF	1,767.58	19.06	1,998.81	22.20
JPY	16.68	0.30	7.48	0.12
AED	27.83	1.23	-	-
SGD	7.67	0.12	129.06	2.09
GBP	-	-	39.29	0.38
Commission payable in foreign currency				
CHF	514.56	5.54	479.28	5.29
EUR	7.13	0.08	4.76	0.05
USD	0.24	0.00	0.59	0.01
Total (B)	**2,749.70**		**3,184.14**	
Net exposure in respect of recognised assets and liabilities (A-B)	**(379.72)**		**(1,572.31)**	

Forward contracts outstanding as at the end of the year

Liabilities	As at 31st March 2024		As at 31st March 2023	
	Amount (Rs.)	Amount in foreign currency	Amount (Rs.)	Amount in foreign currency
Exports				
CHF	1,457.28	16.00	1,511.30	17.00

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31st March 2024 and 31st March 2023 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March 2024				
HKD (1% movement)	0.41	(0.41)	0.31	(0.31)
USD (1% movement)	(7.25)	7.25	(5.43)	5.43
EUR (1% movement)	(2.29)	2.29	(1.71)	1.71
CHF (1% movement)	13.77	(13.77)	10.30	(10.30)
GBP (1% movement)	(1.35)	1.35	(1.01)	1.01
SGD (1% movement)	0.08	(0.08)	0.06	(0.06)
AED (1% movement)	0.28	(0.28)	0.21	(0.21)
JPY (1% movement)	0.17	(0.17)	0.12	(0.12)
AUD (1% movement)	(0.01)	0.01	(0.01)	0.01
31st March 2023				
HKD (1% movement)	0.61	(0.61)	0.45	(0.45)
USD (1% movement)	(6.61)	6.61	(4.95)	4.95
EUR (1% movement)	1.18	(1.18)	0.88	(0.88)
CHF (1% movement)	19.28	(19.28)	14.43	(14.43)
GBP (1% movement)	(0.10)	0.10	(0.07)	0.07

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
SGD (1% movement)	1.29	(1.29)	0.97	(0.97)
JPY (1% movement)	0.07	(0.07)	0.06	(0.06)

HKD: Hong Kong Dollar, USD: US Dollar, EUR: Euro, CHF: Swiss Franc, GBP: Pound Sterling, SGD: Singapore Dollar, JPY: Japanese Yen, AUD: Australian Dollar, AED: Emirati Dirham.

(v) Product price risk

In a potentially inflationary economy, the Group expects periodical price increases across its retail product lines. Product price increases which are not in line with the levels of customers' discretionary spends, may affect the business/retail sales volumes. Since the Group operates in luxury category, the demand is reasonably inelastic to changes in price. However, the Group continually monitor and compares prices of its products in other developed markets as its customers tend to compare prices across markets. In the event that prices deviate significantly unfavourably from the markets, the Group negotiates with its principals for change of prices. The Group also manages the risk by offering judicious product discounts to retail customers to sustain volumes. The Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps the Group protect itself from significant product margin losses.

37 CAPITAL MANAGEMENT

(i) Risk management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Group monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents and other bank balances. Total equity comprises all components of equity as shown in balance sheet.

The Group's adjusted net debt to total equity ratio was as follows:

	As at 31st March 2024	As at 31st March 2023
Total liabilities excluding deferred tax liabilities, provisions, other current liabilities and current tax liabilities	42,510.06	40,607.51
Less: cash and cash equivalents and other bank balances	52,976.93	26,621.08
Adjusted net debt	**(10,466.88)**	**13,986.43**
Total equity	**1,14,430.00**	**70,214.86**
Net debt to total equity ratio	(0.09)	0.20

(ii) Dividends (including corporate dividend tax)

	31st March 2024	31st March 2023
Equity shares		
Dividends on equity shares declared and paid:		
Final dividend for the year ended 31st March 2023 of Rs. 2.00 (31st March 2022 of Rs. 3.00) per fully paid equity shares*	250.74	382.11
Interim dividend for the year ended 31st March 2024 of Rs. 58.00 (31st March 2023 of Rs. 2.00) per fully paid equity shares	7,271.53	250.74
*Final dividend has been paid on the number of shares issued by the Company till the date of annual general meeting after approval of the shareholders.		
Proposed dividends on Equity shares:#		
Proposed dividend for the year ended on 31st March 2024: Rs. 4.00 (31st March 2023 of Rs. 2.00) per equity share	501.48	250.74

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31st March.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

38 NON-CONTROLLING INTEREST (NCI)

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations:

As at 31st March 2024

Particulars	Ethos Limited	Cognition Digital LLP	Silvercity Brands AG	Fevre Leuba
NCI Percentage	**46.17%**	**46.17%**	**6.17%**	**6.17%**
Non-current assets	31,058.54	81.87	1,758.94	-
Current assets	85,979.05	578.38	2,030.33	18.22
Non-current liabilities	11,565.14	25.59	-	-
Current liabilities	17,276.01	52.64	148.48	-
Net Assets	**88,196.44**	**582.02**	**3,640.78**	**18.22**
Exchange differences on translation of foreign operations	-	-	-	-
Elimination adjustments	381.77	-	-	-
	87,814.67	**582.02**	**3,640.78**	**18.22**
Net assets attributable to NCI	**40,539.91**	**268.71**	**224.74**	**1.12**
Revenue	99,345.78	447.43	106.00	-
Profit / (loss) for the year	8,225.72	103.74	(19.28)	-
OCI	(41.38)	(0.67)	-	-
Total comprehensive income	**8,184.34**	**103.07**	**(19.28)**	**-**
Profit / (loss) allocated to NCI	3,434.91	43.96	(1.61)	-
OCI allocated to NCI	(18.50)	-	-	-
Total comprehensive income / (expense) allocated to NCI	**3,416.41**	**43.96**	**(1.61)**	**-**
Cash flows from operating activities	3,085.30	(3.91)	(3.36)	-
Cash flows from investing activities	(12,240.20)	(39.90)	(18.44)	-
Cash flows from financing activities	12,450.36	17.40	40.52	18.22
Net increase / (decrease) in cash and cash equivalents	**3,295.46**	**(26.41)**	**18.71**	**18.22**

As at 31st March 2023

Particulars	Ethos Limited	Cognition Digital LLP	Silvercity Brands AG	Estima AG	Pylania SA
NCI Percentage	**38.93%**	**38.93%**	**38.93%**	**0.00%**	**0.00%**
Non-current assets	24,584.75	24.16	-	-	-
Current assets	63,449.14	520.01	44.97	-	-
Non-current liabilities	9,861.35	6.71	-	-	-
Current liabilities	15,054.86	58.51	-	-	-
Net Assets	**63,117.68**	**478.95**	**44.97**	**-**	**-**
Exchange differences on translation of foreign operations	-	-	-	-	-
Elimination adjustments	491.92	-	-		-
	62,625.76	**478.95**	**44.97**	**-**	**-**
Net assets attributable to NCI	**24,382.15**	**186.47**	**17.51**	-	-
(including preference share capital and its arrears attributable to NCI)					

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Ethos Limited	Cognition Digital LLP	Silvercity Brands AG	Estima AG	Pylania SA
Revenue	78,440.52	412.85	-	1,117.49	1,803.37
Profit / (loss) for the year	5,956.43	73.39	-	(789.61)	225.92
OCI	(17.07)	(0.55)	-	(41.93)	32.59
Total comprehensive income	**5,939.36**	**72.84**	**-**	**(831.54)**	**258.50**
Profit / (loss) allocated to NCI	2,312.38	28.36	-	(35.53)	33.89
OCI allocated to NCI	-	-	-	(1.89)	4.89
Total comprehensive income / (expense) allocated to NCI	**2,312.38**	**28.36**	**-**	**(37.42)**	**38.77**
Cash flows from operating activities	(479.79)	265.26	-	-	-
Cash flows from investing activities	(25,659.93)	38.56	-	-	-
Cash flows from financing activities	24,813.72	(2.39)	45.12	-	-
Net (decrease) / increase in cash and cash equivalents	**(1,326.00)**	**301.43**	**45.12**	**-**	**-**

Note: Shareholding in Estima AG and Pylania SA was 100% acquired during the previous year so figures of are upto date of aqusition.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

39 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated Ind AS financial statements' of Division II of Schedule III

AS AT 31ST MARCH 2024

Name of the entity in the Group	Net Assets (Total assets -Total liabilities)		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
KDDL Limited	34.70%	39,707.95	160.09%	22,004.96	63.67%	(89.86)	161.09%	21,915.10
Subsidiaries								
Indian								
Ethos Limited	77.07%	88,196.44	59.14%	8,129.21	7.14%	(10.08)	59.68%	8,119.13
Mahen Distribution Limited	36.31%	41,545.34	0.39%	53.15	(20871.11%)	29,455.94	216.91%	29,509.09
Kamla Tesio Dials Limited	0.03%	36.11	0.04%	5.89	0.00%	-	0.04%	5.89
Cognition Digital LLP	0.51%	582.02	0.75%	103.74	0.47%	(0.67)	0.76%	103.07
Foreign								
Kamla International Holdings SA	1.84%	2,106.43	(0.26%)	(35.94)	(13.79%)	19.47	(0.12%)	(16.48)
Pylania SA	1.91%	2,189.49	1.11%	153.12	(34.19%)	48.25	1.48%	201.37
Estima AG	(2.49%)	(2,843.83)	(3.77%)	(518.12)	37.63%	(53.11)	(4.20%)	(571.23)
Silvercity Brands AG	3.18%	3,640.78	(0.71%)	(97.83)	47.11%	(66.49)	(1.21%)	(164.32)
Favre Leuba	0.02%	18.22	0.00%	-	0.00%	-	0.00%	-
Joint Venture								
Pasadana Retail Private Limited	0.33%	381.24	0.54%	74.09	-	-	0.54%	74.09
Elimination	(53.42%)	(61,130.19)	(117.33%)	(16,127.10)	20863.06%	(29,444.59)	(334.99%)	(45,571.69)
Total	**100.00%**	**1,14,430.00**	**100.00%**	**13,745.18**	**100.00%**	**(141.13)**	**100.00%**	**13,604.05**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

As at 31st March 2023

Name of the entity in the Group	Net Assets (Total assets -Total liabilities)		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
KDDL Limited	36.07%	25,322.99	89.93%	6,923.13	33.72%	(16.05)	90.28%	6,907.08
Subsidiaries								
Indian								
Ethos Limited	89.89%	63,117.68	77.68%	5,979.60	35.53%	(16.91)	77.94%	5,962.69
Mahen Distribution Limited	27.41%	19,243.10	(0.39%)	(30.24)	(8773.99%)	4,175.79	54.19%	4,145.54
Kamla Tesio Dials Limited	0.04%	30.20	0.12%	9.51	0.00%	-	0.12%	9.51
Cognition Digital LLP	0.68%	478.95	0.95%	73.39	1.16%	(0.55)	0.95%	72.84
Foreign								
Kamla International Holdings SA	3.02%	2,120.36	(0.42%)	(32.50)	(177.41%)	84.44	0.68%	51.94
Pylania SA	2.83%	1,984.56	4.98%	383.66	(256.86%)	122.25	6.61%	505.91
Estima AG	-3.78%	(2,656.47)	(19.78%)	(1,522.91)	463.20%	(220.45)	(22.79%)	(1,743.36)
Silvercity Brands AG	0.06%	44.97	0.00%	-	0.33%	(0.16)		
Joint Venture								
Pasadana Retail Private Limited	0.30%	207.15	0.65%	49.68	0.00%	-	0.65%	49.68
Eliminations	(56.51%)	(39,678.64)	(53.72%)	(4,135.29)	8774.33%	(4,175.95)	(108.56%)	(8,305.40)
Total	**100.00%**	**70,214.86**	**99.92%**	**7,698.01**	**100.00%**	**(47.59)**	**100.00%**	**7,650.42**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

40 CONTINGENT LIABILITIES AND COMMITMENTS:

(to the extent not provided for)

		As at 31st March 2024	As at 31st March 2023
(ia)	**Claims against the Group not acknowledged as debts, under dispute**		
	- Demand raised by Punjab State Electricity Board for payment of penalty for usage of additional power against sanctioned load. Amount paid under protest Rs. 2.96 (31st March 2023: Rs. 2.96)	3.73	3.73
	- Demand raised for Income tax	607.05	449.61
	- Custom duty matters	12.90	12.97
	- Excise Duty matters	65.77	47.08
	- Claims against the Company not acknowledged as debt (to the extent ascertainable)	298.14	265.81
		987.59	**779.21**
(ib)	- Custom duty saved against EPCG Licences, pending redemption	597.47	221.47
(ic)	- Value added tax matters	-	3 ,330.03
(id)	- Goods and Services Tax matters	12.15	12.15
(ii)	**Commitments**		
	- Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	**3,072.92**	**4,944.62**
		3,072.92	**4,944.62**

(iii) In addition, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group's management does not expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Group's results of operations or financial condition.

(iv) Pursuant to recent judgement by Hon'ble Supreme Court dated 28th Februrary 2019, it was held that basic wages, for the purpose of provident fund, to include special allowance which are common for all employees, However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Parent Company and its Indian subsidiary has not recognised any provision. Further, management also believes that the impact of the same on the Group will not be material.

(v) In addition, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group's management does not expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Group's results of operations or financial condition. As on 31st March 2023, there are two open legal proceedings involving disputed amount of Rs.170.30 (31st March 2022: Rs.110.22) against which the Group is carrying liability of Rs.49.26 (31st March 2023: Rs.49.26)

(vi) In accordance with Swiss law, land contaminated in Switzerland, must be restored to its original condition. Durimg an earlier year, the Group had acquired 100% equity interest in Estima AG based in Switzerland which is situated on contaminated land. In accordance with the applicable legal requirements, the Group is planning to restore the site using technology and materials that are available currently at an estimated cost of Rs. 1092.96 (CHF 12,00,000). The rehabilitation is expected to occur progressively over the next few years. Because of the long term nature of the liability, the biggest uncertainty in estimating the provision is the costs that will be incurred. During the year ended 31st March 2019, the Group had provided Rs. 858.60 (CHF 12,00,000) (at the year end exchange rate: Rs. 102.96 (CHF 12,00,00) for this purpose. This cost has been reduced from the fair value of land acquired as part of the acquisition of Estima AG.

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

41 EMPLOYEE BENEFITS

A. Assets and liabilities relating to employee benefits

	Non-Current		Current	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Liability for gratuity	249.50	192.35	156.52	37.79
Liability for Employee Incentive	-	-	-	300.00
Liability for compensated absences	-	-	926.27	728.57
	249.50	**192.35**	**1,082.79**	**1,066.36**

	Current	
	31st March 2024	31st March 2023
Advance payment for gratuity	-	100.42
	-	**100.42**

For details about the related employee benefit expenses, refer to note 30.

B. Defined Benefit Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed at least five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn salary for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Remeasurement gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

The employees' gratuity fund scheme managed by Life Insurance Corporation of India in case of Parent Company and one of the indian subsidiary company is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Parent Company and its indian subsidiaries made annual contributions to the LIC of India of an amount advised by the LIC.

The above defined benefit plan exposes the Group to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Group has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India (LIC).

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

(i) Funding

Gratuity is a funded benefit plan for qualifying employees. 100% of the plan assets are managed by LIC. The assets managed are highly liquid in nature and the Group does not expect any significant liquidity risks.

Particulars	As at 31st March 2024	As at 31st March 2023
(ii) Reconciliation of present value of defined benefit obligation		
Present value of obligation at the beginning of the year	1,356.21	1,189.00
Current service cost	148.55	113.21
Interest cost	99.81	85.45
Benefits paid*	(62.87)	(72.45)
Actuarial (gains)/losses recognised in other comprehensive income		
- Change in financial assumptions	16.02	(18.22)
- Experience adjustments	115.66	59.22
Present value of obligation at the end of the year	**1,673.38**	**1,356.21**
(iii) Reconciliation of the present value of plan assets		
Plan assets at the beginning of the year, at fair value	1,226.49	1,190.67
Return on plan assets recognised in other comprehensive income	(2.73)	(3.90)
Contributions	11.48	15.11
Benefits paid	(57.98)	(60.87)
Interest income	90.10	85.48
Plan assets at the end of the year, at fair value	**1,267.36**	**1,226.49**
(iv) Amount recognised in the balance sheet		
Present value of the defined benefit obligations at the end of the year	1,673.38	1,356.21
Fair value of plan assets at the end of the year	(1,267.36)	(1,226.49)
Net liability/(asset) recognised in the balance sheet	**406.02**	**129.72**

(v) Plan assets

Plan assets comprise of the following:

Particulars	As at 31st March 2024	As at 31st March 2023
Policy of insurance	1,267.37	1,226.49
	1,267.37	**1,226.49**

(vi) Amount recognised in the Statement of Profit and Loss

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Current service cost	148.55	113.22
Interest cost (net)	9.71	(0.04)
Amount recognised in the Statement of Profit and Loss	**158.26**	**113.18**

(vii) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Acturial gain/loss on the defined benefit obligation	131.68	41.00
Return on plan assets excluding interest income	2.73	3.90
Amount recognised in other comprehensive income	**134.41**	**44.90**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

(viii) Acturial assumptions

a) **Economic assumptions:** The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31st March 2024	As at 31st March 2023
Discount rate	7.36%	7.36%
Expected rate of return on plan assets	7.36%	7.36%
Salary increase	4.00%	4.00%
Expected average remaining working lives of employees (years)	**21.35**	**21.35**

b) **Demographic assumptions:**

Particulars	As at 31st March 2024	As at 31st March 2023
Retirement age	58 years	58 years
Mortality Attrition rate	Indian assured lives mortality (2012-14) Ultimate	Indian assured lives mortality (2012-14) Ultimate
Attrition rate		
Upto 30 years	3%	3%
31 to 44 years	2%	2%
45 and above	1%	1%

(ix) Sensitivity analysis on defined benefit obligation on account of change in significant assumptions:

Particulars	As at 31st March 2024		As at 31st March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(67.12)	68.89	(55.69)	59.88
Future salary growth (0.50% movement)	69.04	(67.86)	60.04	(56.21)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(x) Expected future benefit payments

Particulars	As at 31st March 2024	As at 31st March 2023
The expected maturity analysis of undiscounted defined benefit liability is as follows:		
Within 1 year	71.59	137.22
1-2 year	22.21	77.29
2-5 years	70.55	197.25
5-10 years	173.47	944.45

(xi) Weighted average duration and expected employers contribution for next year of the defined benefit plan

Particulars	As at 31st March 2024	As at 31st March 2023
Weighted average duration (in years)	12.21	12.50
Expected Employers contribution for the next year	195.85	116.90

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

C. Defined contribution Plan

The Group makes contribution towards employees' provident fund, superannuation fund and employees' state insurance plan scheme. Under the schemes, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes.The expense recognised towards contrbution of these plans is as follows:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Provident fund	704.35	552.83
Superannuation fund	4.34	3.80
Employees' state insurance scheme	29.92	32.17
Pension fund	81.47	74.86
	820.08	**663.66**

42 RELATED PARTIES:

(i) Joint Venture

Pasadena Retail Private Limited

(ii) Key managerial personnel (KMP) of the Company, their close family members and related entities

(a) Names of KMP	Names of their close family members (refer note 1)
- Mr. Yashovardhan Saboo (Chairman and managing director)	Mr. R.K. Saboo (father), Mrs. Usha Devi Saboo (mother), Mrs. Anuradha Saboo (spouse) Mr. Pranav Shankar Saboo (Son), Mrs. Malvika Saboo (son's spouse) Mrs. Satvika Saboo (daughter)
- Mr. Sanjeev Kumar Masown (Whole Time Director and Chief Financial officer)	Mrs. Neeraj Masown (spouse), Mr. Lal Chand Masown (father), Ms. Muskan Masown (daughter)
- Mr. Brahm Prakash Kumar (Company Secretary)	
Related entities of KMP	
- Vardhan Properties & Investments Limited	
- VBL Innovations Private Limited	
- Dream Digital Technology Private Limited	
- KDDL Ethos Foundation	
- Saboo Ventures LLP	
- Saboo Housing Projects LLP	
- Shri R.K. Saboo a/c Tara Chand Mahendra Kumar HUF	
- Shri Yasho Vardhan Saboo a/c Yasho Vardhan HUF	
- Veena Kanoria Family Trust	
- RKS JS Family Trust	
- UDS JS Family Trust	
- ASP Saboo Family Trust	
- Saveeka Family Trust	
- Rival Soul International SARL	
- Haute-Rive Watches SA	

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

(b) Non-executive Directors	**Names of their close family members (refer note 1)**			
- Mr. Anil Khanna	Mrs. Alka Khanna (spouse)	Mr. Saahil Khanna (son)	Ms. Salonee Khanna (daughter)	Mrs Poonam Prakash (Sister of Mr Anil Khanna)
- Mrs. Ranjana Agarwal				
- Mr. Praveen Gupta				
- Mr. Vishal Satinder Sood				
- Mr. Jai Vardhan Saboo				
- Mr. Sanjiv Sachar				
- Mrs. Neelima Tripathi				
- Mr. Nagarajan Subramanian				

Note:

1. With respect to the key managerial personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year.

c) Related party transactions

Year ended 31st March 2024

	Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
1 Sale of goods and services					
Mr. Pranav S Saboo	-	-	-	66.73	-
Mr. Jai Vardhan Saboo	-	-	-	62.31	-
Mrs. Satvika Suri	-	-	-	-	3.98
Mrs. Malvika Saboo	-	-	-	-	4.42
Dream Digital Technology Private Limited	-	-	5.31	-	-
2 Purchase of goods	**-**	**-**		**-**	**-**
Dream Digital Technology Private Limited	-	-	22.63	-	-
Mrs. Malvika Saboo	-	-	-	-	33.50
Rival Soul International SARL	-	-	28.48		-
3 Compensation to key managerial personnel*					
Short-term employee benefits					
Mr. Yashovardhan Saboo	-	-	-	436.44	-
Mr. Sanjeev Kumar Masown	-	-	-	104.76	-
Mr. Brahm Prakash Kumar	-	-	-	42.53	-
4 Interest income					
Mr. Sanjeev Kumar Masown	-	-	-	3.24	-
5 Interest paid/ accrued					
VBL Innovations Private Limited	-	-	19.88	-	-
Mr. R. K. Saboo	-	-	-	-	11.40
Mr. Sanjeev Kumar Masown	-	-	-	8.35	-
Mrs. Neeraj Masown	-	-	-	-	9.60
Mr. Lal Chand Masown	-	-	-	-	1.50
Mr. Anil Khanna	-	-	-	16.42	-
Mrs. Alka Khanna	-	-	-	-	2.98
Mrs. Ranjana Agarwal	-	-	-	79.49	-
Mrs. Usha Devi Saboo	-	-	-	-	21.29
Mr. Praveen Gupta	-	-	-	2.93	-

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
	Mr. Saahil Khanna	-	-	-	-	0.98
	Ms. Salonee Khanna	-	-	-	-	0.58
	ASP Saboo Family Trust	-	-	0.47	-	-
	RKS JS Family Trust	-	-	12.52	-	-
	UDS JS Family Trust	-	-	0.45	-	-
	Mr. Brahm Prakash Kumar	-	-	4.79	-	-
	Mrs. Anuradha Saboo	-	-	-	10.77	-
	Ms. Muskan Masown	-	-	-	-	1.69
	Veena Kanoria Family Trust	-	-	20.06	-	-
6	**Deposits accepted/renew**					
	Mrs. Ranjana Agarwal	-	-	-	210.86	-
	Mr. Sanjeev Kumar Masown	-	-	-	49.93	-
	Mrs. Neeraj Masown	-	-	-	-	119.33
	Mr. Lal Chand Masown	-	-	-	-	16.88
	Ms. Salonee Khanna	-	-	-	-	4.09
	Mr. Yashovardhan Saboo	-	-	-	100.00	-
	Mrs. Usha Devi Saboo	-	-	-	-	62.00
	Mr. Anil Khanna	-	-	-	49.40	-
	ASP Saboo Family Trust	-	-	5.18	-	-
	RKS JS Family Trust	-	-	191.60	-	-
	Mr. Brahm Prakash Kumar	-	-	-	23.21	-
	UDS JS Family Trust	-	-	5.00	-	-
	Mrs. Anuradha Saboo	-	-	-	150.00	-
	Ms. Muskan Masown	-	-	-	-	40.72
	Veena Kanoria Family Trust	-	-	240.00	-	-
7	**Deposits repaid**					
	Mrs. Ranjana Agarwal	-	-	-	282.79	-
	Mr. Sanjeev Kumar Masown	-	-	-	36.82	-
	Mr. Lal Chand Masown	-	-	-	-	15.27
	Mrs. Neeraj Masown	-	-	-	-	60.58
	Ms. Salonee Khanna	-	-	-	-	3.15
	Mrs. Usha Saboo	-	-	-	-	40.00
	Mr. Brahm Prakash Kumar	-	-	-	13.58	-
	Mr. Anil Khanna	-	-	-	47.16	-
	Veena Kanoria Family Trust	-	-	140.00	-	-
	Ms. Muskan Masown	-	-	-	-	20.00
	UDS JS Family Trust	-	-	5.00	-	-
	ASP Saboo Family Trust	-	-	5.00	-	-
	Mr. Yashovardhan Saboo	-	-	-	100.00	-
	RKS JS Family Trust	-	-	45.00	-	-
8	**Reimbursement of expenses received by subsidiary Company**					
	Pasadena Retail Private Limited	-	38.90	-	-	-
9	**Rent received**					
	Vardhan Properties and Investment Limited	-	-	0.60	-	-
	Dream Digital Technology Private Limited	-	-	1.20	-	-

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
10	**Director fees**					
	Mr. Anil Khanna	-	-	-	17.24	-
	Mr. Praveen Gupta	-	-	-	6.83	-
	Mr. Jai Vardhan Saboo	-	-	-	1.38	-
	Mrs. Ranjana Agarwal	-	-	-	5.43	-
	Mr. Sanjiv Sachar	-	-	-	4.30	-
	Mrs. Neelima Tripathi	-	-	-	2.88	-
	Mrs. Anuradha Saboo	-	-	-	2.63	-
	Mr. Nagarajan Subramanian	-	-	-	3.58	-
11	**Publicity & Advertisement**					
	Dream Digital Technology Private Limited	-	-	55.20	-	-
12	**Management consultancy fees paid**					
	Mrs. Satvika Saboo	-	-	-	-	12.50
13	**CSR contribution made**					
	KDDL Ethos Foundation	-	-	18.53	-	-
14	**Employee benefit expense**					
	Mr. R. K. Saboo	-	-	-	-	30.00
	Mr. Pranav Saboo	-	-	-	-	468.08
	Mrs. Anuradha Saboo	-	-	-	8.06	-
15	**Dividend paid**					
	Mr. R.K. Saboo	-	-	-	-	1,200.66
	Mr. Yashovardhan Saboo	-	-	-	1,360.44	-
	Mrs. Usha Devi Saboo	-	-	-	-	101.94
	Mrs. Anuradha Saboo	-	-	-	-	269.31
	Mr. Pranav S Saboo	-	-	-	-	479.43
	Mrs. Satvika Saboo	-	-	-	-	90.80
	Vardhan Properties and Investment Limited	-	-	22.89	-	-
	Dream Digital Technology Private Limited	-	-	17.65	-	-
	Saboo Ventures LLP	-	-	39.55	-	-
	Mr. Sanjiv Sachar	-	-	-	0.91	-
	Mr. Anil Khanna	-	-	-	1.03	-
	Mr. Brahm Prakash Kumar				1.36	
	Mr. Nagarajan Subramanian				0.02	
	Ms. Salonee Khanna				-	0.01
	Mrs. Alka Khanna	-	-	-	-	0.12

*(Excluding provision for leave encashment, gratuity and bonus as they are determined on an actuarial basis for the company as a whole)

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

Year ended 31st March 2023

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
1	**Sale of goods and services**					
	Mr. Yashovardhan Saboo	-	-	-	28.20	-
	Mr. Chitranjan Agrawal	-	-	-	8.02	-
	Mr. Manoj Gupta	-	-	-	0.18	-
	Mr. Jai Vardhan Saboo	-	-	-	62.17	-
	Mr. Anil Khanna	-	-	-	0.01	-
	Mr. Ritesh Agarwal	-	-	-	0.01	-
	Mrs. Satvika Suri	-	-	-	-	5.06
	Mr. Nigat Altaf	-	-	-	0.18	-
	Mr. Anil Dhiman	-	-	-	0.05	-
	Mr. Sanam Tripathi	-	-	-	-	0.15
	Dream Digital Technology Private Limited	-	-	3.93	-	-
2	**Purchase of goods**					
	Mr. Pranav Shankar Saboo	-	-	-	-	18.00
3	**Compensation to key managerial personnel***					
	Short-term employee benefits					
	Mr. Yashovardhan Saboo	-	-	-	285.80	-
	Mr. Sanjeev Kumar Masown	-	-	-	155.00	-
	Mr. Brahm Prakash Kumar	-	-	-	33.57	-
	One time payment for value creation award					
	Mr. Yashovardhan Saboo	-	-	-	1,900.00	-
4	**Interest income**					
	Mr. Sanjeev Kumar Masown	-	-	-	1.03	-
5	**Interest paid/ accrued**					
	VBL Innovations Private Limited	-	-	19.88	-	-
	Mrs. Lalit Gupta	-	-	-	-	2.03
	Saboo Ventures LLP	-	-	4.16	-	-
	Mr. Amol Gupta	-	-	-	-	3.66
	Mr. R. K. Saboo	-	-	-	-	18.83
	Mr. Sanjeev Kumar Masown	-	-	-	8.08	-
	Ms. Neeraj Masown	-	-	-	-	4.69
	Mr. Lal Chand Masown	-	-	-	-	1.61
	Mr. Deepak Gupta	-	-	-	-	8.97
	Mr. Yashovardhan Saboo	-	-	-	7.97	-
	Mr. Anil Khanna	-	-	-	16.64	-
	Mrs. Alka Khanna	-	-	-	-	3.00
	Mrs. Ranjana Agarwal	-	-	-	80.12	-
	Mrs. Usha Devi Saboo	-	-	-	-	17.15
	Mrs. Saneh Lata	-	-	-	-	1.76
	Mr. Praveen Gupta	-	-	-	2.93	-
	Mr. Saahil Khanna	-	-	-	-	0.89
	Mrs. Narottam Das Agarwal	-	-	-	-	0.53
	Mrs. Navita Verma	-	-	-	-	0.03
	Mrs. Jyoti Agarwal	-	-	-	-	2.83

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
	Ms. Salonee Khanna	-	-	-	-	0.57
	ASP Saboo Family Trust	-	-	0.14	-	-
	RKS JS Family Trust	-	-	2.08	-	-
	UDS JS Family Trust	-	-	0.16	-	-
	Mr. Brahm Prakash Kumar	-	-	4.41	-	-
	Veena Kanoria Family Trust	-	-	1.33	-	-
6	**Deposits accepted/renew**					
	Mrs. Ranjana Agarwal	-	-	-	196.50	-
	Mr. Sanjeev Kumar Masown	-	-	-	28.69	-
	Mrs. Neeraj Masown	-	-	-	-	22.20
	Mr Lal Chand Masown	-	-	-	-	11.91
	Ms. Salonee Khanna	-	-	-	-	1.85
	Mr. R K Saboo	-	-	-	-	120.00
	Mrs. Usha Devi Saboo	-	-	-	-	110.00
	Mr. Anil Khanna	-	-	-	160.92	-
	Mr. Saahil Khanna	-	-	-	-	4.50
	Mrs. Alka Khanna	-	-	-	-	0.40
	ASP Saboo Family Trust	-	-	5.00	-	-
	RKS JS Family Trust	-	-	200.00	-	-
	Mr. Brahm Prakash Kumar	-	-	-	41.26	-
	UDS JS Family Trust	-	-	5.00	-	-
	Veena Kanoria Family Trust	-	-	140.00	-	-
7	**Deposits repaid**					
	Mrs. Alka Khanna	-	-	-	-	1.33
	Mr. Yashovardhan Saboo	-	-	-	166.26	-
	Mrs. Ranjana Agarwal	-	-	-	200.00	-
	Mrs. Saneh Lata	-	-	-	-	33.94
	Mrs. Navita Verma	-	-	-	-	0.69
	Mr. Amol Gupta	-	-	-	-	13.58
	Mrs. Pallavi Agarwal	-	-	-	-	10.00
	Mr. Sanjeev Kumar Masown	-	-	-	21.13	-
	Mr Deepak Gupta	-	-	-	-	200.00
	Mrs. Lalit Gupta	-	-	-	-	42.42
	Mr Lal Chand Masown	-	-	-	-	9.18
	Mrs Neeraj Masown	-	-	-	-	16.36
	Ms. Salonee Khanna	-	-	-	-	1.50
	Mr. Saahil Khanna	-	-	-	-	4.00
	Mrs. Usha Saboo	-	-	-	-	96.00
	Mr. R K Saboo	-	-	-	-	236.00
	Saboo Ventures LLP	-	-	95.00	-	-
	Mr. Brahm Prakash Kumar	-	-	-	30.38	-
	Mr. Anil Khanna	-	-	-	135.72	-
	RKS JS Family Trust	-	-	200.00	-	-

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
8	**Reimbursement of expenses received by subsidiary Company**					
	Pasadena Retail Private Limited	-	39.96	-	-	-
	Susanne Hurni	-	-	-	-	8.02
9	**Rent received**					
	Vardhan Properties and Investment Limited	-	-	0.15	-	-
	Dream Digital Technology Private Limited	-	-	1.20	-	-
10	**Reimbursement to selling shareholders of IPO proceed (Net of share issue expenses)**					
	Mr. Yashovardhan Saboo	-	-	-	611.48	-
	Saboo Ventures LLP	-	-	333.53	-	-
	Mrs. Anuradha Saboo	-	-	-	-	133.42
	Mr. Jai Vardhan Saboo	-	-	-	33.36	-
	VBL Innovations Private Limited	-	-	23.35	-	-
	Mr. Anil Khanna	-	-	-	13.90	-
	Mr. Nagarajan Subramanian	-	-	-	42.76	-
11	**Director fees**					
	Mr. Yashovardhan Saboo	-	-	-	5.33	-
	Mr. Anil Khanna	-	-	-	30.50	-
	Mrs. Munisha Gandhi	-	-	-	3.69	-
	Mr. Praveen Gupta	-	-	-	5.78	-
	Mr. Chitranjan Agarwal	-	-	-	17.53	-
	Mr. Sundeep Kumar	-	-	-	11.70	-
	Mr. Dilpreet Singh	-	-	-	10.60	-
	Mr. Mohaimin Altaf	-	-	-	13.32	-
	Mr. Patrik Paul Hoffman	-	-	-	7.63	-
	Mr. Jai Vardhan Saboo	-	-	-	1.55	-
	Mr. Charu Sharma	-	-	-	2.87	-
	Mrs. Ranjana Agarwal	-	-	-	6.58	-
	Mr. Sanjiv Sachar	-	-	-	4.68	-
	Mrs. Neelima Tripathi	-	-	-	5.92	-
	Mr. Nagarajan Subramanian	-	-	-	10.36	-
12	**Publicity & Advertisement**					
	Dream Digital Technology Private Limited	-	-	42.00	-	-
13	**Repayment of loans given by the Company**					
	Mr. Sanjeev Kumar Masown	-	-	-	5.00	-
14	**Management consultancy fees paid**					
	Mrs. Anuradha Saboo	-	-	-	-	15.00
	Mr. Apoorv P. Tripathi (Advocate)	-	-	-	-	0.33
	Mr. Patrik Paul Hoffman	-	-	-	23.60	-
	Mr. Viraj Gandhi	-	-	-	-	3.85
15	**CSR contribution made**					
	KDDL Ethos Foundation	-	-	21.06	-	-
16	**Employee benefit expense**					
	Mr. R. K. Saboo	-	-	-	-	32.88
	Mr. Pranav Saboo	-	-	-	-	412.31

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
	Mrs. Anuradha Saboo	-	-	-	-	7.19
	Mr. Amol Gupta	-	-	-	-	3.91
	Mr. Anil Dhiman	-	-	-	19.01	-
	Mr. Ritesh Agarwal	-	-	-	127.47	-
	Mr. Manoj Gupta	-	-	-	75.25	-
	*(Excluding provision for leave encashment, gratuity and bonus as they are determined on an actuarial basis for the Company as a whole)					
17	**Dividend paid**					
	Mr. R.K. Saboo	-	-	-	-	99.47
	Mr. Yashovardhan Saboo	-	-	-	112.69	-
	Mrs. Usha Devi Saboo	-	-	-	-	8.49
	Mrs. Anuradha Saboo	-	-	-	-	22.44
	Mr. Pranav S Saboo	-	-	-	-	39.95
	Mrs. Satvika Saboo	-	-	-	-	7.57
	Vardhan Properties and Investment Limited	-	-	1.80	-	-
	Dream Digital Technology Private Limited	-	-	1.47	-	-
	Saboo Ventures LLP	-	-	1.36	-	-
	Mr. Sanjiv Sachar	-	-	-	0.08	-
	Mr. Sanjeev Kumar Masown	-	-	-	0.07	-
	Mr. Anil Khanna	-	-	-	0.16	-
	Mrs. Alka Khanna	-	-	-	-	0.01
18	**Sale of Property, plant and equipment**					
	Mr. Amol Gupta	-	-	-	-	5.32

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

d) **Amount outstanding**

As at 31st March 2024

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
1	**Loans and advances**					
	Mr. Sanjeev Kumar Masown	-	-	-	94.68	-
2	**Interest Receivable from Director**					
	Mr. Sanjeev Kumar Masown	-	-	-	2.23	-
3	**Other current assets**					
	Mr. Yashovardhan Saboo	-	-	-	1.71	-
4	**Payables**					
	Mrs. Anuradha Saboo	-	-	-	0.47	-
	Mr. Anil Khanna	-	-	-	0.65	-
	Mrs. Neelima Tripathi	-	-	-	0.47	-
	Mrs. Ranjana Agarwal	-	-	-	0.65	-
	Mr. Praveen Gupta	-	-	-	0.47	-
	Mr. Sanjiv Sachar	-	-	-	0.18	-
	Mr. Nagarajan Subramanian	-	-	-	0.65	-
5	**Deposits**					
	Mr. Sanjeev Kumar Masown	-	-	-	78.62	-
	Mr. Lal Chand Masown	-	-	-	-	16.88
	Mrs. Neeraj Masown	-	-	-	-	102.37
	Mr. Anil Khanna	-	-	-	163.16	-
	Mrs. Alka Khanna	-	-	-	-	29.70
	Mrs. Ranjana Agarwal	-	-	-	627.01	-
	Mr. R. K. Saboo	-	-	-	-	120.00
	Mrs. Usha Devi Saboo	-	-	-	-	205.71
	Mr. Saahil Khanna	-	-	-	-	8.50
	Mr. Praveen Gupta	-	-	-	30.00	-
	Ms. Salonee Khanna	-	-	-	-	5.94
	ASP Saboo Family Trust	-	-	5.18	-	-
	RKS JS Family Trust	-	-	146.60	-	-
	Ms. Muskan Masown	-	-	-	-	20.72
	UDS JS Family Trust	-	-	5.00	-	-
	Veena Kanoria Family Trust	-	-	240.00	-	-
	Mr. Brahm Prakash Kumar	-	-	-	50.89	-
	Mrs. Anuradha Saboo	-	-	-	150.00	-
6	**Interest accrued but not due**					
	Mr. Sanjeev Kumar Masown	-	-	-	6.63	-
	Mr. Lal Chand Masown	-	-	-	-	0.56
	Mrs. Neeraj Masown	-	-	-	-	10.05
	Mr. Anil Khanna	-	-	-	18.03	-
	Mrs. Ranjana Agarwal	-	-	-	115.12	-
	Mrs. Usha Devi Saboo	-	-	-	-	9.55
	ASP Saboo Family Trust	-	-	0.41	-	-
	Mr. Saahil Khanna	-	-	-	-	1.20
	RKS JS Family Trust	-	-	1.83	-	-

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
	Mr. Brahm Prakash Kumar	-	-	-	4.81	-
	Mrs. Anuradha Saboo	-	-	-	10.77	-
	Ms. Muskan Masown	-	-	-	-	0.88
	Ms. Salonee Khanna	-	-	-	-	0.58
7	**Employee related payables**					
	Mr. Yashovardhan Saboo	-	-	-	28.24	-
	Mr. Sanjeev Kumar Masown	-	-	-	7.02	-
	Mr. R.K. Saboo	-	-	-	-	1.74
	Mr. Pranav Shankar Saboo	-	-	-	16.99	-
	Mr. Brahm Prakash Kumar	-	-	-	1.66	-
	Mrs. Anuradha Saboo	-	-	-	-	0.62
8	**Balance due from the related parties**					
	Pasadena Retail Private Limited	-	34.18	-	-	-
	Mr. Pranav Shankar Saboo	-	-	-	-	22.14
	Mr. Jai Vardhan Saboo	-	-	-	72.65	-
	Dream Digital Technology Private Limited	-	-	0.35	-	-
	Mr. Yashovardhan Saboo	-	-	-	1.36	-
9	**Investments**					
	Pasadena Retail Private Limited	-	275.00	-	-	-
	Haute-Rive Watches SA	-	-	134.92	-	-

Amount outstanding

As at 31st March 2023

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
1	**Loans and advances**					
	Mr. Sanjeev Kumar Masown	-	-	-	16.97	-
2	**Other current assets**					
	Mr. Yashovardhan Saboo	-	-	-	9.04	-
3	**Payables**					
	Dream Digital Technology Private Limited	-	-	-	-	-
	Mr. Jai Vardhan Saboo	-	-	-	0.34	-
	Mrs. Satvika Saboo	-	-	-	-	1.13
4	**Guarantees taken**					
	Mr. R. K. Saboo	-	-	-	-	-
	Mr. Yashovardhan Saboo	-	-	-	5,250.00	-
5	**Deposits**					
	Mr. Sanjeev Kumar Masown	-	-	-	65.51	-
	Mr. Lal Chand Masown	-	-	-	-	15.27
	Mrs. Neeraj Masown	-	-	-	-	43.62
	Mr. Anil Khanna	-	-	-	160.92	-
	Mrs. Alka Khanna	-	-	-	-	29.70
	Mrs. Ranjana Agarwal	-	-	-	698.94	-
	Mrs. Jyoti Agarwal	-	-	-	-	25.00
	Mr. Amol Gupta	-	-	-	-	26.60

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
	Mr. R. K. Saboo	-	-	-	-	120.00
	Mr. Yashovardhan Saboo	-	-	-	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	183.71
	Mr. Saahil Khanna	-	-	-	-	8.50
	Mr. Praveen Gupta	-	-	-	30.00	-
	Ms. Salonee Khanna	-	-	-	-	5.00
	ASP Saboo Family Trust	-	-	5.00	-	-
	UDS JS Family Trust	-	-	5.00	-	-
	Veena Kanoria Family Trust	-	-	140.00	-	-
	Mr. Brahm Prakash Kumar	-	-	-	41.26	-
6	**Interest accrued but not due**					
	Mr. Sanjeev Kumar Masown	-	-	-	12.82	-
	Mr. Lal Chand Masown	-	-	-	-	3.92
	Mrs. Neeraj Masown	-	-	-	-	4.65
	Mr. Anil Khanna	-	-	-	13.87	-
	Mrs. Alka Khanna	-	-	-	-	0.03
	Mrs. Ranjana Agarwal	-	-	-	145.78	-
	Mrs. Jyoti Agrawal	-	-	-	-	2.92
	Mrs. Usha Devi Saboo	-	-	-	-	7.65
	ASP Saboo Family Trust	-	-	0.14	-	-
	Mr. Saahil Khanna	-	-	-	-	0.72
	Mr. Amol Gupta	-	-	-	-	3.23
	Mr. Brahm Prakash Kumar	-	-	-	1.15	-
	Ms. Salonee Khanna	-	-	-	-	0.94
7	**Unsecured Loans**					
	VBL Innovations Private Limited	-	-	150.00	-	-
	Swades Capital LLC	-	-	-	-	-
8	**Employee related payables**					
	Mr. Yashovardhan Saboo	-	-	-	0.30	-
	Mr. Sanjeev Kumar Masown	-	-	-	3.86	-
	Mr. R.K. Saboo	-	-	-	-	2.00
	Mr. Pranav Shankar Saboo	-	-	-	81.34	-
	Mr. Ritesh Kumar Agrawal	-	-	-	26.06	-
	Mr. Manoj Gupta	-	-	-	7.66	-
	Mr. Anil Dhiman	-	-	-	1.73	-
	Mr. Amol Gupta	-	-	-	-	0.30
	Mr. Brahm Prakash Kumar	-	-	-	1.05	-
	Mrs. Anuradha Saboo	-	-	-	-	0.56
9	**Balance due from the related parties**					
	Mr. Siddarth Suri	-	-	-	-	28.64
	Pasadena Retail Private Limited	-	12.41	-	-	-
	Mr. Manoj Gupta	-	-	-	6.35	-
	Mr. Jai Vardhan Saboo	-	-	-	10.81	-
	Dream Digital Technology Private Limited	-	-	6.06	-	-
	Mr. Yashovardhan Saboo	-	-	-	28.64	-

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

		Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
10	**Director Commission Payable**					
	Mr. Anil Khanna	-	-	-	17.00	-
	Mr. N. Subramanian	-	-	-	5.41	-
	Mr. Sundeep Kumar	-	-	-	9.27	-
	Mrs. Neelima Tripathi	-	-	-	2.32	-
	Mr. Dilpreet Singh	-	-	-	8.50	-
	Mr. Mohaimin Altaf	-	-	-	10.82	-
	Mr. Patrik Paul Hoffman	-	-	-	6.18	-
	Mr. Chitranjan Agarwal	-	-	-	14.68	-
	Mrs. Munisha Gandhi	-	-	-	3.09	-
	Mr. Charu Sharma	-	-	-	2.32	-
11	**Investments**					
	Pasadena Retail Private Limited	-	175.00	-	-	-

e) Other transactions

1. Security being provided for loan taken from RC Tritec against personal guarantee of Chairman and Chief financial officer of the Group.

f) Terms and conditions of transactions with related parties

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business.

43 Operating segments

(a) Basis for segmentation

As per Ind AS 108, Operating Segments have been defined and presented based on the regular review by the Chief Operating Decision Maker to assess the performance of each segment and to make decision about allocation of resources. The accounting principles used in the preparation of the consolidated audited financial results are consistently applied to record revenue and expenditure in individual segments except for merging watch and accessories, marketing support and other services and luxury cars into one business segment by one of the subsidiary company i.e watches, accessories and other luxury items and related services with effect from 1st April, 2022. The new segment information namely revenue, results, segment assets and segment liabilities is derived by a simple arithmetic addition of the aforesaid particulars of the consolidating segments and as such there is no financial effect of the change.

The Group has three reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's Chairman and Managing Director reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
Precision and watch components	Manufacturing and distribution of dials, watch hands and precision components
Watch, accessories and other luxury items and related services	Trading of watches and accessories
Others	Manufacturing and distribution of packaging boxes

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

(b) Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's Chairman and Managing Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Year ended 31st March 2024	Precision and watch components	Watch, accessories and other luxury items and related services	Others	Total
Segment revenue:				
- External revenues	37,716.67	99,899	1,849.90	1,39,465.16
- Inter-segment revenue	(7.55)	(5.60)	(348.80)	(361.96)
Total segment revenue	**37,709.12**	**99,892.99**	**1,501.09**	**1,39,103.20**
Segment profit/(loss) before income tax	**10,272.99**	**10,669.36**	**117.06**	**21,059.40**
Segment assets	**27,316.03**	**80,293.25**	**1,216.56**	**1,08,825.84**
Segment assets include:				
- Investments accounted for using equity method	-	381.24	-	381.24
- Capital expenditure during the year	4,561.24	3,605.53	243.15	8,409.92
Segment liabilities	**8,160.43**	**14,114.24**	**215.46**	**22,490.13**

Year ended 31st March 2023	Precision and watch components	Watch and watch accessories	Others	Total
Segment revenue:				
- External revenues	31,873.63	78,824.09	1,548.28	1,12,246.00
- Inter-segment revenue	(19.15)	(4.64)	(277.70)	(301.49)
Total segment revenue	**31,854.48**	**78,819.45**	**1,270.58**	**1,11,944.51**
Segment profit/(loss) before income tax	**6,928.78**	**8,174.58**	**96.51**	**15,199.87**
Segment assets	**27,706.24**	**59,468.60**	**1,224.21**	**88,399.05**
Segment assets include:				
- Investments accounted for using equity method	-	207.15	-	207.15
- Capital expenditure during the year	5,790.89	1,543.14	78.56	7,412.59
Segment liabilities	**6,346.31**	**12,711.76**	**203.64**	**19,261.71**

(c) Reconciliations of information on reportable segments to Ind AS measures

	As at 31st March 2024	As at 31st March 2023
i. Revenues		
Total revenue for reportable segments	1,39,465.16	1,12,246.00
Elimination of inter-segment revenue	(361.96)	(301.49)
Total revenue	**1,39,103.20**	**1,11,944.51**
ii. Profit before tax		
Total profit before tax for reportable segments	21,059.40	15,199.87
Finance cost	(2,622.37)	(2,396.01)
Unallocated amounts:		
Corporate expenses (net of un-allocated revenue)	186.06	(2,043.59)
Consolidated profit before tax	**18,623.09**	**10,760.27**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

		As at 31st March 2024	As at 31st March 2023
iii.	**Assets**		
	Total assets for reportable segments	1,08,825.84	88,399.05
	Unallocated amounts	55,326.88	27,653.46
	Consolidated total assets	**1,64,152.72**	**1,16,052.51**
iv.	**Liabilities**		
	Total liabilities for reportable segments	22,490.13	19,261.71
	Unallocated amounts	27,232.59	26,575.94
	Consolidated total liabilities	**49,722.72**	**45,837.65**

v. Other material items

	Reportable segment total	Adjustments	Consolidated total
Year ended 31st March 2024			
Finance cost	-	2,622.37	2,622.37
Capital expenditure during the year	8,409.92	47.59	8,457.51
Depreciation and amortisation expense	6,248.39	244.34	6,492.73
Year ended 31st March 2023			
Finance cost	-	2,396.01	2,396.01
Capital expenditure during the year	7,412.59	(235.17)	7,177.42
Depreciation and amortisation expense	4,648.17	291.29	4,939.46

(d) Geographical information

i. Revenues

	Year ended 31st March 2024	Year ended 31st March 2023
India	**1,10,193.87**	**86,972.39**
Outside India		
Switzerland	21,869.32	17,529.27
Germany	1,113.16	3,159.18
United Kingdom	1,353.33	461.74
USA	2,847.85	1,960.09
France	586.20	440.33
Portugal	216.91	-
Czech Republic	538.71	817.15
China	139.10	356.69
Other countries	244.75	247.67
Total outside India	**28,909.33**	**24,972.12**
Total	**1,39,103.20**	**1,11,944.51**

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(All amounts are in Indian Rupees Lacs, except for share data)

ii. Non-current assets

	Year ended 31st March 2024	Year ended 31st March 2023
India	**41,454.62**	**34,204.44**
Outside India		
Switzerland	5,251.58	4,585.67
Total outside India	**5,251.58**	**4,585.67**
Total	**46,706.21**	**38,790.11**

*In presenting the geographical information, segment revenue has been based on the geographic location of the customers.

(e) Major customer

For the year ended 31st March 2024 and 31st March 2023, there is no major customer with respect to consolidated revenue of the group.

44 Group as a lessee

The Parent Company has lease contracts for various items of plant and equipment, building and land used in its operations. Leases of plant and equipment generally have lease terms between 3-5 years, while buildings generally have lease terms between 1-10 years, while leasehold land has lease term of 99 years. Further, The Ethos Limited, a subsidiary company has lease contracts for various retail stores and furniture to be used for its operations. The Leases generally have lease terms 2-10 years for building and 4-5 years for furniture. The Group obligations under its leases are secured by the lessor's title to the leased assets.

The Group has certain leases with lease terms of 12 months or less and certain leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Plant and equipment	Building	Leasehold land $	Stores Building	Furniture	Total
As at 1st April 2022	**487.03**	**314.69**	**541.92**	**9,007.76**	**138.76**	**10,490.16**
Additions	74.35	21.71	-	3,934.68	-	4,030.74
Depreciation expense	(144.01)	(122.83)	(6.31)	(2,492.94)	(33.64)	(2,799.73)
Deletions/Modification	37.61	-	-	(261.40)	-	(223.79)
As at 31st March 2023	**454.97**	**213.57**	**535.62**	**10,188.10**	**105.12**	**11,497.38**

Particulars	Plant and equipment	Building	Leasehold land $	Stores Building	Furniture	Total
As at 1st April 2023	**454.97**	**213.57**	**535.62**	**10,188.10**	**105.12**	**11,497.38**
Additions	306.99	171.06	-	5,581.89	109.07	6,169.01
Depreciation expense	(149.93)	(147.52)	(6.28)	(3,338.71)	(53.85)	(3,696.30)
Deletions/Modification	11.02	-	-	(63.49)	-	(52.47)
As at 31st March 2024	**623.05**	**237.11**	**529.34**	**12,367.79**	**160.34**	**13,917.62**

$ Includes leasehold land of Rs. 5.67 (31st March 2023: Rs. 5.67) situated at Parwanoo for which the Company is in the process of completing formalities for transferring the title deed in its own name.

The carrying amounts of lease liabilities and the movements during the year:

Particulars	Total
As at 1st April 2022	**11,008.84**
Additions	3,843.76
Accretion of interest	1,208.06
Payments	(3,884.81)

NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

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Deletions/Modification	(285.65)
Rent Concessions	-
As at 31st March 2023	**11,890.20**
Current	**2,557.79**
Non-current	**9,332.41**

Particulars	Total
As at 1st April 2023	**11,890.20**
Additions	5,871.34
Accretion of interest	1,589.21
Payments	(4,710.39)
Deletions/Modification	(68.61)
Rent Concessions	-
As at 31st March 2024	**14,571.76**
Current	**2,929.47**
Non-current	**11,642.29**

The details regarding the maturity analysis of lease liabilities as at 31st March 2024 and 31st March 2023 on an undiscounted basis is disclosed in Note 36.

Considering the lease term of the leases, the effective interest rate for lease liabilities varies from 11.33% to 11.98%.

The Group 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.

The following are the amounts recognised in profit and loss:

For the year ended 31st March 2023

Particulars	Plant and equipment	Building	Land	Stores Building	Furniture	Total
Depreciation expense of right-of-use assets	144.01	122.83	6.31	2,492.94	33.64	2,799.73
Interest expense on lease liabilities	10.28	47.11	-	1,150.67	-	1,208.06
Expense relating to short-term leases (included in other expenses)*	-	14.02	-	1,002.58	-	1,016.60
Total amount recognised in profit and loss	**154.29**	**183.96**	**6.31**	**4,646.19**	**33.64**	**5,024.38**

** Gross of reimbursement received of Rs. 46.93*

For the year ended 31st March 2024

Particulars	Plant and equipment	Building	Land	Stores Building	Furniture	Total
Depreciation expense of right-of-use assets	149.93	147.52	6.28	3,338.71	53.85	3,696.30
Interest expense on lease liabilities	43.82	40.33	-	1,505.06	-	1,589.21
Expense relating to short-term leases (included in other expenses)*	-	28.85	-	832.98	-	861.83
Total amount recognised in profit and loss	**193.75**	**216.71**	**6.28**	**5,676.75**	**53.85**	**6,147.34**

** Gross of reimbursement received of Rs. 13.11*

The Group had total cash outflows for leases of Rs. 4,710.39 in 31st March 2024 (Rs. 3884.81 in 31st March 2023).

The Group also had non-cash additions to right of use assets and liabilities of Rs. 5,762.27 in 31st March 2024 (31st March 2023: Rs. 3693.76)

45 The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered

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into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for taxation.

46 DISCLOSURES PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013:

	As at 31st March 2023	As at 31st March 2022
Investment		
Investment in joint venture: Pasadena Retail Private Limited		
Balance as at the year end	381.24	207.15
Maximum amount outstanding at any time during the year	381.24	207.15
Investment in company: Karolview Developers Private Limited		
Balance as at the year end	43.55	43.65
Maximum amount outstanding at any time during the year	43.65	43.70
Investment in company: Shivalik Waste Management Limited		
Balance as at the year end	6.43	5.74
Maximum amount outstanding at any time during the year	6.43	5.74
Investment in company: Haute-Rive Watches SA		
Balance as at the year end	134.92	-
Maximum amount outstanding at any time during the year	134.92	-
Investment in company: Czapek & Cie SA		
Balance as at the year end	25.74	-
Maximum amount outstanding at any time during the year	25.74	-

47 (a) During the current year, the subsidiary company Ethos Limited has completed its Qualified Institutions Placement ('QIP') of 11,31,210 equity shares of face value of Rs. 10 each at an issue price of Rs. 1,547 per share (including securities premium of Rs. 1,537 per share) aggregating to Rs. 17,499.82.

Consequent to allotment of fresh issue of equity shares on 3rd November 2023, the paid-up equity share capital of the subsidiary Company stands increased from INR 2,334.92 consisting of 2,33,49,233 Equity Shares of INR 10 each to INR 2,448.04 consisting of 2,44,80,443 Equity Shares of INR 10 each.

The total offer expenses in relation to the fresh issue are Rs. 540.18 (excluding taxes). The utilization of QIP proceeds from fresh issue (net of QIP related expense of Rs. 540.18) is summarized below:

Particulars	Amount
Amount received from fresh issue	17,499.82
Less: Offer related expenses in relation to the fresh issue	(540.18)
Net proceeds available for utilisation	**16,959.64**

Particulars	Amount
Funding working capital requirements of the Company	13,125.00
General corporate purpose	3,834.64
Net proceeds available for utilisation *	**16,959.64**

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*As per the Placement Document, the utilisation of funds for the aforesaid objects will start after 31st March 2024. Net Proceeds available for utilisation as on date have been temporarily invested in deposits with scheduled banks and kept in current account with monitoring agency bank account.

(b) During the current year, Group has sold 10,80,238 equity shares of Rs. 10 each of Ethos Limited (Subsidiary) through open market for net consideration of Rs. 20,985.26 (net of tax).

(c) Post the above transactions, the consolidated shareholding of the Holding Company (directly and indirectly through its other subsidiary, Mahen Distribution Limited) in Ethos Limited as at 31st March 2024 is reduced to 53.83% which have resulted into increase in the amount of minority interest by Rs. 12,763.25 in the consolidated financial statement of the group for the year ended 31st March 2024.

48 Considering the accumulated losses, impairment indicators were identified in relation to property, plant and equipment (PPE) in subsidiary Estima AG. As a result, an impairment assessment was required to be performed by comparing the carrying value of the PPE to its recoverable amount to determine whether an impairment was required to be recognised. The recoverable amount was determined to be the higher of the fair value less cost of disposal, and the value in use, determined by discounting future cash flows. Based on the impairment assessment carried out by the management, recoverable amount from these PPE is higher than their carrying amount, hence no impairment provision is required to be made.

49 The Holding Company, subsidiaries and joint venture which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except for the following:

a) In relation to the Holding Company audit trail feature is not enabled for (i) direct changes to data when using certain access rights and also for certain changes made using privileged/ administrative access rights, and (ii) other software used to maintain books of accounts for two units of the Holding Company.

b) In relation to one of the subsidiary, the feature of recording audit trail for direct changes to database made using privileged/ administrative access rights is not available.

c) In relation to two of the subsidiaries, the accounting software used to maintain books of accounts does not have feature of recording audit trail (edit log) facility.

50 During the previous year, the Board of Directors at its meeting held on 18th January 2023, approved a proposal to buyback the equity shares of the Parent Company through open market route. This scheme includes buy back of fully paid-up equity shares having a face value of Rs. 10 each of the Parent Company at a price not exceeding Rs. 1200 per equity share ("Maximum Buyback Price") and for an aggregate amount not exceeding Rs. 2100 Lacs ("Maximum Buyback Size"), from the shareholders of the Parent Company (other than the promoters, the promoters group and persons in control of the Parent Company) payable in cash via "Open Market" route through the stock exchange mechanism which is less than 10% of the aggregate of the total paid-up share capital and free reserves of the Parent Company, based on the latest audited standalone and audited consolidated financial statements of the Parent Company as on 31st March 2022, in accordance with the provisions under the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("Buyback Regulations"), as amended and the Companies Act, 2013, as amended, and other applicable provisions (the process hereinafter referred to as the "Buyback"). The Parent Company has bought back 1,99,947 equity shares for an aggregate amount of Rs. 2100 Lacs being 1.57% of the total paid up equity share capital at average price of Rs. 1050 per equity share. The equity shares bought back were extinguished on 14th February 2023. Capital redemption reserve was created to the extent of share capital extinguished (Rs. 19.99 Lacs). The excess cost of buyback of Rs. 2103.69 Lacs (including Rs. 23.69 Lacs (net of tax) towards transaction cost of buy back) over par value of shares were adjusted from securities premium (Rs. 2080.00 Lacs) and retained earnings (Rs.23.69 Lacs) and corresponding tax on buyback of Rs. 484.86 Lacs were offset from retained earnings. Further Rs. 7.86 (net of tax) related to buy back of expenses is charged to other equity in current year.

51 During the previous year, the Parent Company had initiated the process of setting up of a new plant for manufacturing steel bracelets for watches. The expansion will be completed in next year. As on 31st March 2024, the Parent Company has procured or given advances for procurement of machines and materials of Rs. 3,365.83. Also, the Parent Company has received advance of Rs. 2,634.15 from a major customer for this product which will be adjusted against future sales to that customer.

52 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code

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will come into effect has not been notified. The Parent Company and its Indian subsidiaries will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

53 (a) During the year ended 31st March 2023, Ethos Limited, a subsidiary of the Parent Company has acquired 100% stake in Silvercity Brands AG, the Swiss stock corporation having its registered seat in Grenchen, Switzerland from Philipp Schaller, c/o Badertscher Rechtsanwälte AG Mühlebachstrasse 32 8008 Zürich. The Share Capital of the company is CHF 100,000, divided into 100,000 registered shares with a nominal value of CHF 1 each and paid-up Share Capital is 50,000 shares for CHF 1 each. The purchase consideration for acquisition of shares is at CHF 50,000 in an all-cash deal. The subsidiary company has paid 50,000 CHF on 31st March 2023. Silvercity Brands AG is wholly owned subsidiary company of Ethos Limited as on 31st March 2023.

During the quarter ended 30th June 2023, Ethos Limited (Subsidiary) has further infused CHF 20,50,000, for issue of 20,50,000 registered shares with nominal value of CHF 1 each in Silvercity Brands AG. As on date, Ethos Limited (Subsidiary) holds 21,00,000 equity shares of CHF 1 each (equivalent to Rs. 1,920 Lacs) in Silvercity Brands AG.

During the quarter ended 31st March 2024, Silvercity Brands AG has further allotted 39,00,000 shares of nominal value of CHF 1 each. Out of the total shares allotted 34,00,000 shares were allotted to group companies and 5,00,000 to minority shareholders. As a result, shareholding of the Group has reduced to 93.83% from the erstwhile 100%.

(b) During the current year, a wholly owned subsidiary, Silvercity Brands AG has acquired 100% stake in Favre Leuba GmBH, the Swiss stock corporation having its registered seat in Grafenauweg 6, 6300 Zug, Switzerland during September 2023. The Share Capital of the Favre Leuba GmBH is CHF 20,000, divided into 20,000 registered shares with a nominal value of CHF 1 each and paid-up Share Capital is 20,000 shares for CHF 1 each (equivalent to Rs. 18.22). The purchase consideration for acquisition of shares is at CHF 20,000 in an all-cash deal which has been paid by Silvercity Brands AG. Favre Leuba GmBH is wholly owned subsidiary company of Silvercity Brands AG.

54 During the previous year ended 31st March 2023, the Subsidiary Company i.e. Ethos Limited had completed its Initial Public Offering ('IPO') of 45,81,500 equity shares of face value of Rs. 10 each at an issue price of Rs. 878 per share (including securities premium of Rs. 868 per share). These equity shares have been listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) with effect from 30th May, 2022. The issue was comprised of fresh issue of 42,71,070 equity shares aggregating to Rs. 37,500.00 and offer for sale of 3,10,430 equity shares aggregating to Rs. 2,725.58. Net gain on such offer for sale of 1,54,089 equity shares held by the Holding Company and subsidiary company (Mahen Distribution Limited) amounting to Rs 1067.00 (net of income tax of Rs 112.00) has been included under other equity in the consolidated financial statements.

Consequent to allotment of fresh issue, the paid-up equity share capital of the subsidiary company stands increased from Rs. 1,907.82 consisting of consisting of 1,90,78,163 equity shares of Rs. 10 each to Rs. 2,334.92 consisting of 2,33,49,233 Equity Shares of Rs. 10 each.

The total offer expenses in relation to the fresh issue are Rs. 3,531.05 (excluding taxes). The utilisation of IPO proceeds from fresh issue (net of IPO related expense of Rs. 3,531.05) is summarised below:

Particulars	Amount
Amount received from fresh issue	37,500.00
Less: Offer related expenses in relation to the fresh issue	(3,531.05)
Net proceeds available for utilisation	**33,968.95**

The aforesaid offer related expenses in relation to the Fresh Issue have been adjusted against securities premium as per Section 52 of the Companies Act, 2013.

Particulars	Amount to be utilised as per prospectus	Utilisation upto 31st March 2024	Unutilised as on 31st March 2024**
Repayment or pre-payment certain borrowings	2,989.09	2,989.09	-
Funding working capital requirements	23,496.22	23,496.22	-
Financing the establishment of new stores and renovation of the certain existing stores	3,327.28	703.74	2,623.54
Financing the upgradation of ERP	198.01	158.71	39.30
General corporate purpose*	3,958.35	3,958.35	-
Total	**33,968.95**	**31,306.11**	**2,662.84**

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*Amount of Rs. 3609.87 was original proposed in offer document as part of general corporate purpose has been increased by Rs. 348.48 on account of saving in offer expenses

**The unutilised amounts lying under the heads 'Financing the establishment of new stores and renovation of the certain existing stores' and 'Financing the upgradation of ERP' shall be utilised within 18 months from the date of obtaining subsiaries shareholder's approval through Notice issued for Postal Ballot dated 18th January 2024. The shareholders have accorded their approval on 21st March 2024. Net unutilised proceeds as on 31st March 2024 have been temporarily invested in deposits with scheduled banks and kept in current account with scheduled bank.

55 During the current year, the Group through its wholly owned subsidiary, Silvercity Brands AG has acquired Favre Leuba Brand and all related trademarks, sub brands, Logos and brand material for CHF 14,92,757 (equivalent to Rs. 1,360.52). The subsidiary company is in process of getting assignment right registered in its name in countries where this brand is already registered.

56 Other Statutory Information

1) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

2) The Group does not have any transactions with companies struck off.

3) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

4) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

5) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or

   b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

6) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;

   b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

7) The Group not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

57 During the previous year, the Parent Company has granted loan of CHF 1,400,000 (Rs. 1244.60) and made further investment of CHF 1,000,000 (Rs. 846.70) in equity shares of its wholly owned subsidiary Kamla International Holdings SA with a understanding that the subsidiary company will further invest these funds in wholly owned subsidiaries of the Group naming Pylania SA and Estima AG. Out of the total amount invested CHF 6,00,000 was unutilised as at 31st March 2023. Mentioned below are the details of balance fund utilised by the said subsidiary during current year.

Date	Particulars	Amount in CHF
1st April 2023	Opening unutilised Fund Balance	6,00,000
		6,00,000
Cash outflow		
27th April 2023	Investment in Equity of Estima AG	1,44,000
25th May 2023	Loan to Estima AG	1,50,000
29th June 2023	Interest Payment to Holding Company	66,740
29th August 2023	Interest Payment to Holding Company	26,178
		3,86,918
Unutilised fund balance as at the year end		**2,13,082**

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58 The Shareholders of Parent Company in the annual general meeting dated 27th September 2022, approved one time value creation award amounting to Rs. 1,900 to Mr. Yashovardhan Saboo (Chairman & Managing Director) gain in the market value of the total investment of the group in Ethos Limited (subsidiary Company) upon successful completion of IPO of Ethos Limited. Based on the aforesaid approval, the group has accounted Rs. 1,900 under employee benefits expenses for year ended 31st March 2023.

As per our report of even date

For and on behalf of the Board of Directors of **KDDL Limited**

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI firm registration no.: 301003E/E300005

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole Time Director and Chief Financial Officer
DIN: 03542390

Anil Gupta
Partner
Membership No. 87921

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: New Delhi
Date: 14th May 2024

Place: Chandigarh
Date: 14th May 2024

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KDDL Limited

Head Office

Kamla Center, SCO 88-89, Sector 8-C, Chandigarh – 160009, India

Phone: +91 172 2548223 / 24 / 27

Fax: +91 172 254830

Website: www.kddl.com

CIN: L33302HP1981PLC008123

If undelivered please return to

KDDL Limited, SCO 88-89, Sector 8-C,
Madhya Marg, Chandigarh - 160 009