

ELIN ELECTRONICS LIMITED

Regd. Office : 4771, BHARAT RAM ROAD, 23 DARYA GANJ, NEW DELHI-110 002
Website : www.elinindia.com Tel. : 91-11-43000400 Fax : 91-11-23289340



September 05, 2024

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex
Bandra (E), Mumbai - 400 051

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai - 400 001

Symbol: ELIN

Scrip Code: 543725

ISIN: INE050401020

Dear Sir/Ma'am,

Sub: Annual Report and AGM Notice for 42nd Annual General Meeting of the Elin Electronics Limited to be held on Monday, the 30th September, 2024.

Pursuant to Regulation 34(1) of SEBI (LODR) Regulation, 2015, enclosed please find herewith a copy of the Annual Report being sent to the shareholders through electronic mode along with the Notice of the Annual General Meeting containing the business to be transacted at the Meeting.

Please note that the 42nd Annual General Meeting of members of the Company will be held on Monday, the 30th day of September, 2024 at 10.30 a.m. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

As per Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members the facility to cast their vote(s) on all resolutions set forth in the Notice by electronic means ("remote e-voting/ e-voting"). The instructions for remote e-voting/e-voting are mentioned in the Notice attached.

We request you to take the above information on record.

Thanking You

Yours faithfully,

For Elin Electronics Limited

Lata Rani Pawa

Company Secretary & Compliance Officer

M. No.: A30540

cs@elinindia.com

Encl: As above



Factories:-

C-142-143-144-144/1-144/2 Industrial Area, Site No.1, Bulandshahar Road, Ghaziabad - 201009 (U.P.)

L-84, Verna Industrial Area, Electronic City, Verna, Goa - 403722.

Village: Beli Khol, Post: Manpura - 174101, Teh: Nalagarh, District: Solan (Himachal Pradesh)

CIN : L29304DL1982PLC428372

GSTIN: 09AAACE6449G1ZJ



TRANSFORMING WITH PURPOSE

ACROSS THE PAGES

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For more investor-related information, please visit https://www.elinindia.com/investors/#Annual_Reports

Or scan the QR code



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Investor Information

Market Capitalisation as of March 31, 2024	₹ 6,617.09 Million
CIN	L29304DL1982PLC428372
BSE Code	543725
NSE Symbol	ELIN
AGM Date	September, 30, 2024
Deemed AGM Venue	Registered Office - 4771, Bharat Ram Road, 23, Daryaganj, Delhi - 110 002

Financial Statements

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Notice

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Disclaimer

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

TRANSFORMING WITH PURPOSE



Elin Electronics Limited represents an unshakable commitment to **growth, innovation, and excellence**. Our trajectory is a vivid reflection of the tangible outcomes that stem from our strategic initiatives, as we stride forward with resolute fundamentals and an eye towards a bright future.

Our transformative journey is marked by our expanding capacities as we persistently invest in augmenting our manufacturing prowess. By leveraging leading-edge technologies and continuous innovation, we strive to meet the growing demands of our diverse clientele. With a keen readiness to seize emerging opportunities, we excel in broadening our product portfolio and diversifying our offerings to capture a larger market share. By scaling our

manufacturing capabilities and widening the spectrum of industries we serve, we are charting a course for enduring and sustainable growth.

As we move ahead, our firm focus on operational excellence continues to mark its presence in our trajectory, transforming our path through sustained advancements and innovations. By optimising processes, upgrading product quality, and reducing costs, we gear up for greater success, as we inculcate enhanced efficiencies and deliver superior performance in our business.

Capturing the essence of our resilient journey, we are Transforming with Purpose, showcasing the remarkable progress we achieved in our transformative endeavours.

Corporate Snapshot

LEADING WITH INNOVATION AND PRECISION

We, at Elin Electronics Limited (hereafter referred to as 'Elin Electronics', or 'your Company'), proudly stand at the forefront of electronics manufacturing services (EMS) industry, delivering state-of-the-art product solutions to both international and national consumer electronics brands. Established by the esteemed 'Sethia' family in 1969 as partnership firm namely "Electronics Industries of India" which was converted into "Elin Audio Components Private Limited" in 1987. Elin Electronics Private Limited was incorporated as a private limited company on 26th March, 1982. Later on, the legal structure of the Company was changed to public limited company on 27th July, 1987. Later on, "Elin Audio Components Private Limited" was merged to the present company in 1991. Our extensive range of offerings include EMS, electric motor design and manufacturing, tool/mould/die creation, as well as production of domestic kitchen appliances, personal care products, lighting products, and automotive components. With our dedication to innovation and excellence, we continue to set industry benchmarks, reinforcing our position as a distinguished leader.

We are a Leading force in Electronics Manufacturing Services and one of the Largest Producers of Fractional Horsepower Motor in India.

50+ Years
Industry Experience

378
Customers

5,379
Employees
(Payroll/Contractual)

3
Manufacturing
Units



Our Vision

To become the leading and most preferred manufacturing company in our product line.

- Customer-focused
- Innovation
- Excellence and Efficiency
- Team Work
- Continuous Improvement
- Ethical & Honest
- Responsible and Sustainable
- Motivation & Recognition



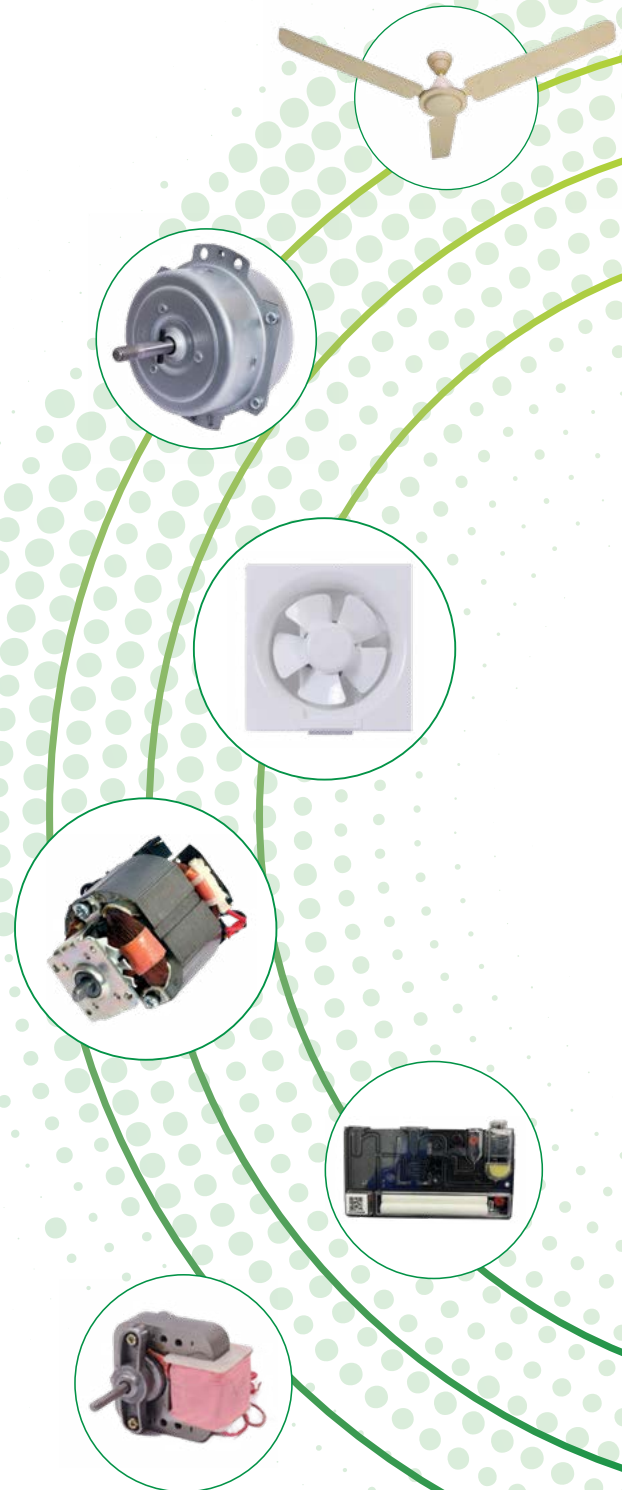
Our Mission

- To provide the highest quality of Customer Excellence service through Innovation, Excellence, Team work and Continuous Improvement
- To have an Ethical and Sustainable impact on our Environment, Customers, Shareholders, Business Associates and the community.

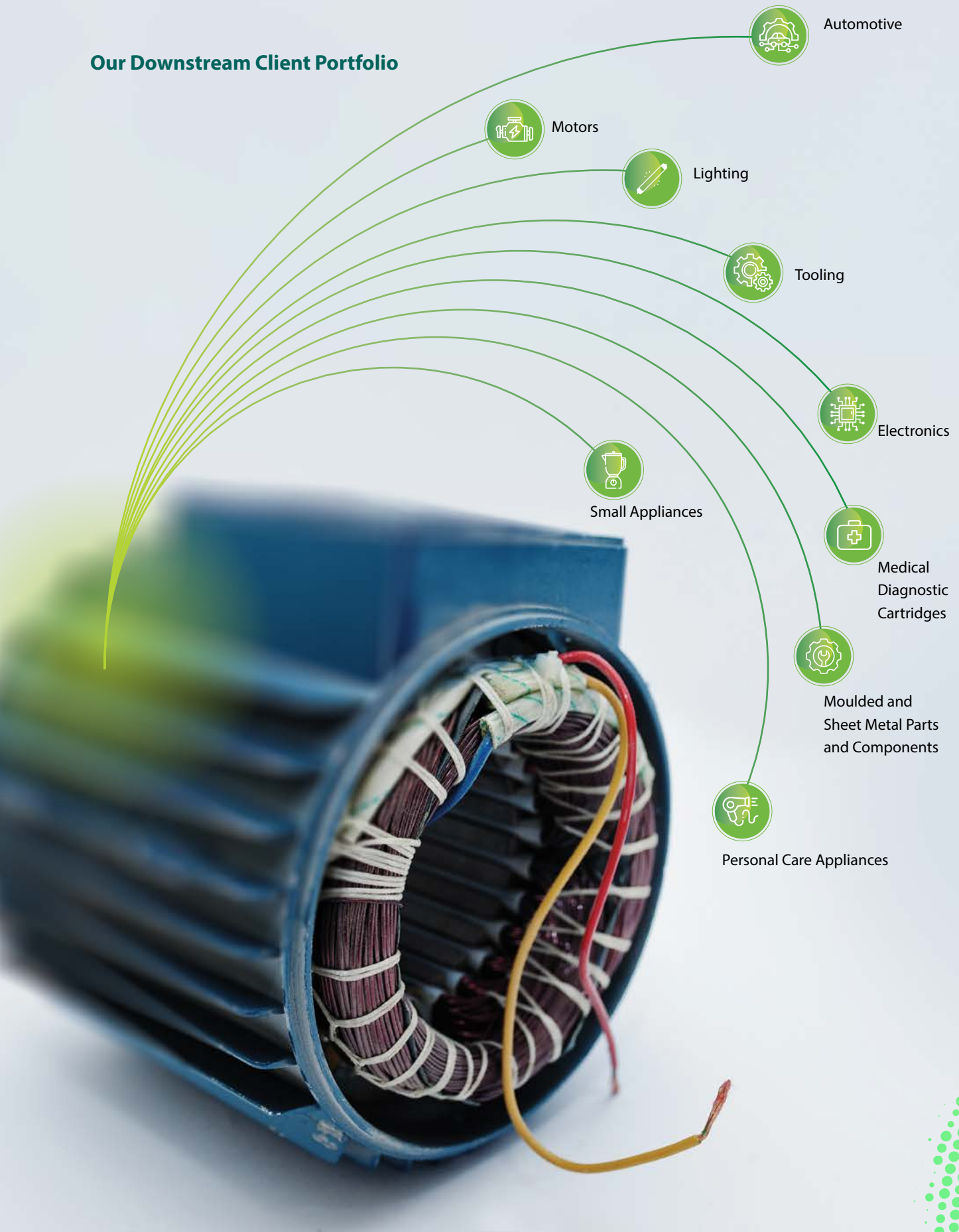


Design Capabilities

Elin Electronics excels as an Original Design Manufacturer (ODM), offering design and development services for domestic kitchen appliances, motors, tools, and a host of diverse products. Drawing on over 50 years of industry experience, we are dedicated to providing cost-effective design solutions and a broad spectrum of high-quality finished products. We deploy the unmatched skill set of our talented team, coupled with our leading-edge software tools and infrastructure, to cement our pivotal positioning in the industry.



Our Downstream Client Portfolio



Our Vale-Accretive Business Model

We leverage two distinguished business models to cater to our customers: original equipment manufacturer (OEM) and original design manufacturer (ODM).

OEM

Under the OEM model, we undertake the manufacturing and supply of products according to the designs provided by our customers. Subsequently, these products are distributed under the customers' brands.

ODM

Under the ODM model, we conceptualise and design products, which are marketed to our potential customers under their brands. We utilise our well-established ODM capabilities, particularly in small appliances and lighting products to drive the business.

Our Subsidiary

Elin Appliances Private Limited (EAPL), a wholly owned subsidiary of Elin Electronics, embodies our commitment to quality and innovation. Founded on 21st August, 2002, EAPL draws its strength from our strong ethos of fostering lasting partnerships and relationships with our esteemed customers. The company manufactures a diverse range of electronic, electrical, and engineering devices, including various home appliances, such as toasters, juicers, irons and ovens. Each product crafted by EAPL reflects our dedication to exceptional quality and service, reinforcing the enduring bond we forge with our customers.

Our Certifications and Standards

- ISO 9001:2015 & ISO 14001:2015
- IS 302: Part 2: Sec 3:2007 (Electric Irons)
- IS 302: Part 2: Sec 14:2009 (Bar-Blenders)
- IS 366:1991 (Performing of Electric Irons)
- IS 3854:1997 - Switches
- IS 1293:2005 - Socket and Plug
- IS 11037:1984 - Fan Regulator
- IS-16102
- IS-15885
- IS-10322
- IEC-60335
- IS-4250 Mixer-Grinders
- Manufacturer's License/Quality Certificate (Toasters, Hair Dryers, Hair Straighteners)
- We follow OHSAS-45001 Guidelines
- Social Accountability at Work Place as per SA-8000/2014
- Sustainability as per RBA Code of Conduct (Green Supplier)
- Corporate Social Responsibility ISO-26000



Key Differentiators

POWERING AHEAD WITH KEY COMPETITIVE EDGES



Established Market Position

At Elin Electronics, we lead the way in electronics manufacturing services (EMS), and are renowned for our dominant market position in fractional horsepower (FHP) motors. We deploy our robust R&D capabilities to design, manufacture, and supply high-quality FHP motors for a wide spectrum of industries. As a company, boasting a sound backward integration, we are well-placed to meet the growing demand for motor-driven appliances in India and abroad.



Diversified Products

We maintain a resilient business model through our diversified product portfolio and customer base. We cater to multiple product segments across FHP motors and small appliances, while serving globally renowned clients, including Philips, Bosch, and Panasonic. Our diverse product profile empowers us to mitigate risks effectively, whereas we utilise our cutting-edge ODM capabilities to create bespoke designs that meet precise customer needs.



Robust Customer Relationships

We cultivate robust and enduring customer relationships with esteemed domestic and multinational customers, including industry giants, such as Philips, Signify, Panasonic, Havells, Crompton and Eveready. Our comprehensive one-stop-shop facilities, manufacturing acumen, and on-time deliveries are the key levers behind our unmatched customer retention rate. The fact that around 10 of our top 15 customers continue to bestow their trust on us for more than a decade speaks volumes of our product and quality excellence. This enduring trust further highlights our commitment to foster long-term partnerships and customer loyalty.





High Degree of Backward Integration

We continue to yield substantial benefits, including greater operational efficiencies, enhanced product quality, and increased customer retention capabilities by leveraging our strong backward integration processes. Moreover, we solidify our stature as the preferred partner for customers by prioritising the expansion of our technological expertise in manufacturing and integrated services, thereby strengthening our competitive edge in the market.

In-house PCB assembly using surface mount technology (SMT) with 10 fully automatic lines operating at a capacity of **3,93,200** components per hour (CPH).

Captive manufacturing of FHP motors and other products such as **sheet metal, plastic moulding parts, tools and dies, sole plates for irons, and stainless steel blades for mixer grinder**, among others, for usage in our other product verticals such as small appliances.



Consistent and Strong Financial Performance

We bolster our financial performance by strategically positioning our Company in high-demand product segments and maintaining a premier customer base, ensuring steady revenue generation. Our sound balance sheet and prudent resource management enable us to finance our expansions via a blend of internal accruals and debt. Moreover, the substantial revenue generated from ODM operations remains the pivotal force behind our financial accomplishments, allowing us to capitalise on growth opportunities within both the OEM and ODM sectors in India.

EXCELLING THROUGH BROAD SPECTRUM OF PRODUCTS

Electronics Manufacturing Services (EMS) Segment

76.42%
Revenue Contribution

LED Lighting, Fans, and Switches

Products Developed

- LED Fittings Fixture and Solar Device
- LED Flashlights (torch)
- Fans (all types)
- Light Fitting/Switch



Small Appliances

Products Developed

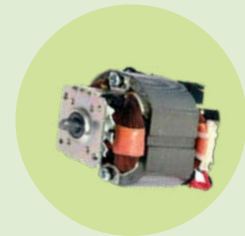
- Mixer Grinder
- Bar Blender
- Hair Dryer
- Hair Straightener
- Iron
- Toasters



Application Areas of Fractional Horsepower Motors

Products Developed

- Mixer Grinder
- Hand Blender
- Wet Grinder
- Chimney
- Air Conditioner
- Heat Convector
- TPW Fans



Non-EMS Segment

23.58%
Revenue Contribution

Medical Diagnostic Cartridges

Products Developed

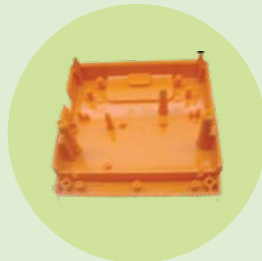
Medical Diagnostic Cartridges for Use in Diagnostic Devices



Moulded and Sheet Metal Parts and Components

Products Developed

Plastic Moulded and Sheet Metal Parts and Components, largely for Customers in the Auto Ancillary and Consumer Durables Sectors



Milestones

CHARTING OUR PATH THROUGH SIGNIFICANT MILESTONES

1969

Elin Electronics came into being

1973

Started the production of tape deck mechanism for use in audio cassette players

1977

Commenced manufacturing of motors as a backward integration

1996

Set up a plant in Goa to manufacture appliances for Philips

2001

- Began manufacturing of LED lighting
- Extended relationship with Philips, venturing into the production of radios and luminaires

2002

Started business with Signify (erstwhile Philips)

2004

Inaugurated a plant in Baddi for manufacturing appliances

2007

- Progressed into manufacturing of flashlights for Eveready
- Forged an alliance with Panasonic

2014

Entered into business with Usha

2019

- Started the manufacturing of fans
- Commenced the production of medical diagnostic cartridges

2020

Initiated collaboration with Bosch

2022

Listed on BSE and NSE

2023

Started manufacturing of heated hair brush & TPW Fans

Message from the Managing Director

DRIVING EXCELLENCE WITH PURPOSEFUL INITIATIVES



Dear Valued Shareholders,

It is with great pride and enthusiasm that I present to you the Annual Report for 2023-24. This past year remains a period of optimism in our journey as we adeptly navigated a dynamic and ever-evolving market landscape with strategic foresight and unflinching commitment. Fuelled by our focus on constant innovation, perseverance, operational excellence, and customer satisfaction, we achieved major milestones across our core business domains. Additionally, our sound financial performance, robust product pipeline, and strategic alliances fortified our position, setting a solid foundation for sustained growth and value creation.

Reflecting on the transformative journey of Elin Electronics, it is evident that we are on a path to scale greater heights and excel across all facets of our business. Through our relentless drive to expand capacities, diversify our product portfolio, accomplish operational excellence, build a high-performance team, and optimise capital allocation, we remain dedicated to building on this momentum. Driven by our constant thrust on innovation, we continue to evolve stronger, staying committed to delivering exceptional value to our customers, employees, and shareholders.

Industry Review

In India, the EMS industry is poised for unprecedented growth, expected to achieve a staggering CAGR of 32% over the next five years, significantly outpacing the growth rate of the global EMS market and reaching USD 80 Billion by 2026. This upward growth trajectory is fuelled by an amalgamation of strategic shifts and market trends: Original Equipment Manufacturers (OEMs) are increasingly outsourcing, the China plus one strategy is gaining traction, and India's domestic electronics ecosystem is steadily flourishing. Moreover, segments like the mobile, consumer electronics, and appliances are projected to surge rapidly with a CAGR of 31.5% over the next five years, unlocking significant opportunities for both strategic and financial investors. Additionally, the EMS industry continues to be stimulated by the growing demand for consumer electronics, the rising adoption of smart devices, and the burgeoning telecom sector. Moreover, pivotal Government initiatives, including the 'Make in India' campaign and the Production Linked Incentive (PLI) scheme further catalysed the industry's growth. Offering the dual benefits of financial incentives and a conducive environment for manufacturing, these initiatives go a long way in strengthening the domestic EMS industry. Additionally, the global pivot away from reliance on single-source manufacturing, particularly



As we wrap up a transformative year in our journey, I take the opportunity to extend my deepest gratitude to all our stakeholders who supported and believed in Elin Electronics. Your confidence in our vision and commitment in our progress motivate us to challenge our abilities and go all out for sustained success.



from China, positioned India as a viable alternative. With its skilled workforce, competitive labour costs, and enhanced infrastructure, India has emerged as a favourable destination for EMS providers.

As the global landscape evolves, India's EMS industry is riding a wave of outstanding growth, supported by the proliferation of Internet of Things (IoT) devices, advancements in automotive electronics, and the rapid rollout of 5G technology. Companies are investing heavily in research and development to spearhead innovation and adapt to rapid technological progress. Furthermore, buoyed by the strategic partnerships with multinational corporations and leveraging sound backward integration capabilities, Indian EMS companies are on a strong footing to elevate their value propositions, enhance operational efficiencies, and maintain excellence in quality and service. This compelling growth trajectory is set to firmly establish India as a formidable contender in the global EMS market, shaping the industry's future with strong presence.

Financial Highlights

At Elin Electronics, our EBITDA for the year under review stood at ₹ 496 Million, down from ₹ 674 Million in 2022-23. This decline in EBITDA reflects the impact of negative operating leverage, driven by a marginal fall in revenue and rising costs. Moreover, our full year PAT stood at ₹ 139 Million compared to ₹ 268 Million in 2022-23.

We revised our depreciation on plant and machinery from a single shift to a double shift rate, leading to an impact of ₹ 18.7 Million. Moreover, we reassessed the useful lives of moulds from 15 years to 10 years, resulting in an impact of ₹ 8.3 Million. Cumulatively, the total one-time impact for 2023-24 stood at ₹ 27 Million. Despite these adjustments, our liquidity position remains robust, with net cash and equivalents totalling to ₹ 823 Million as of March 2024. Our working capital cycle as of March 2024 was recorded at 68 days, slightly extended as compared to 66 days in the previous fiscal.

People - The Driving Force of our Success

At Elin Electronics, we recognise that our employees are the crucial driving force behind our sustained success. Enhancing their competitive edge and keeping them at the leading edge of industry's evolving necessities are central to our ethos; and to achieve these objectives, we embrace a strategic and holistic approach to learning and development. Throughout the past year, we implemented a series of innovative programmes focused on skill, enhancement, employee engagement, diversity and inclusion.

Through our meticulously designed talent development initiatives, we effectively identify and cultivate high-potential employees, preparing them for future leadership roles within the organisation. Furthermore, our innovative role change programme plays a crucial part in optimising workforce allocation and subsequently augmenting overall productivity. Additionally, leveraging our rigorous assessment development programme, we nurture internal talent and guide their progression to the next level. Deploying this focused

approach, we continue to foster a culture of holistic growth and advancement, while ensuring that our team is continuously challenged and motivated to excel.

Despite the challenges posed by the current macroeconomic environment for consumer durables and FMEG, we acknowledge the need for addressing company-specific issues. To drive this internal transformation, we decided to inculcate more professionalism within our Company by bringing onboard best-in-class talent. In April 2024, we proudly inducted Mr. Praveen Tandon as our CEO, an esteemed professional with a sound experience of 30 years. His domain of work encompasses a diverse set of expertise in procurement, operations, and business development across leading companies, including Dixon Technologies, IFB, LG Electronics, and Honda. Moreover, Additionally, we are poised to enhance our team by onboarding skilled professionals for key roles in the coming months. While this initiative will involve an immediate impact on costs, we firmly believe that building a strong professional team is foundational for our future growth and success.

Closing Remarks

In alignment with our government's commitment to environmental sustainability, we are excited to announce our partnership for solar energy. Starting in the second quarter of FY 2024-25, we will begin receiving solar energy. This transition not only underscores our dedication to green energy but also provides us with significant financial benefits.

Our vision is to forge a powerhouse organisation by attracting top-tier talent, boosting operational efficiencies, and enhancing employee productivity. We are dedicated to optimising costs and maximising capacity utilisation, with a sharp focus on return on capital employed. We strive to diligently manage both CAPEX and working capital to fuel our growth endeavours. Additionally, we envision to build a lean and well-staffed organisation that will strategically position us to seize the growth opportunities ahead.

As we wrap up a transformative year in our journey, I take the opportunity to extend my deepest gratitude to all our stakeholders who supported and believed in Elin Electronics. Your confidence in our vision and commitment in our progress motivate us to challenge our abilities and go all out for sustained success. To our shareholders, customers, employees, and partners, your invaluable contributions are the foundation of our journey towards greater growth. It is through your enduring support that we are able to pursue our mission of uplifting underserved communities and fostering financial inclusion, while converging organisational growth and community development with purposeful interventions.

Thank you for being an integral part of our journey.

Best regards,

Kamal Sethia

Managing Director

Elin Electronics Limited

FORGING AHEAD WITH STRATEGIC TRANSFORMATION



As part of our strategic focus, we continue to advance our diversification efforts by entering the medium appliance category with the upcoming launch of an Oven Toaster Grill and an OFR Radiator Heater. This expansion aligns with our vision of broadening our product portfolio and adapting to evolving market demands.



Dear Partners,

I am excited to unveil the remarkable strides Elin Electronics made over the past year. In our journey of dynamic growth and strategic diversification, I am proud to highlight the accomplishments we achieved across multiple facets of our business.

To start with, I am pleased to share that as of April 2024, we successfully transitioned out of exclusivity with Signify for a select range of products in the lighting, fans, and switches segments. This shift is a monumental milestone for us, opening up new avenues for expansion and collaboration with a broader customer base. We already began engaging with potential clients and submitting samples, and I am optimistic that these initiatives will lead to promising developments in the upcoming quarters. Our priority is to support this expansion, and to fulfil this objective we are bolstering our product development team to ensure we continue delivering innovative and high-quality products that exceed client expectations.

Looking at our fan business, I am thrilled to announce significant advancements in the table, pedestal, and wall (TPW) fan segment. We secured a fresh mandate from one of the top 5 OEMs to supply TPW fans, with tooling already in progress. We expect to commence revenue generation from this new order in Q3 of 2024-25, with a steady ramp-up thereafter. Moreover, we seek to scale up production level to approximately 50,000 units per month, reaching this capacity within one to two quarters from Q3 of 2024-25. In addition, we are making breakthroughs on the global stage with our first export order for fans from a company in the USA, with shipments set to begin in Q3 of 2024-25. We are also excited to have secured a modest order for BLDC fans from one of the top 5 OEMs, which we expect to scale up in subsequent quarters.



In terms of strategic alliances, our partnership with Signify evolved amicably, taking into consideration the essential imperative of diversifying and catering to multiple customers to maintain a competitive edge in pricing and volumes. Going forward, we are bullish to capture opportunities in the Baton and Troffer segments, which account for a substantial part of the non-lamp lighting business.



As a strategic imperative, we continue to go ahead with our diversification efforts by venturing into the medium appliance category with the upcoming launch of an Oven Toaster Grill and an OFR Radiator Heater. This well-thought-out expansion is in sync with our vision of widening our product portfolio, as we align our capabilities to cater to evolving market demands.

In the ceiling fan category, despite encountering certain challenges, our commitment to growth remains unwavering. We delivered a limited batch of BLDC fans to one of the top five OEMs and introduced a wide range of ODM models this month. Looking ahead, we are confident in achieving robust growth in the fan segment, driven by both TPW and ceiling fans, including BLDC models, in the next fiscal year. While the fan business is inherently seasonal, we are witnessing increasing demand, particularly within our solar product line.

Within our fan division, we cater to three distinct categories: TPW fans, fresh air fans, and ceiling fans. Collaborations with leading industry players in the TPW and fresh air segments continue to deliver steady volume growth. In the ceiling fan space, we are partnering with an emerging market player eager to establish a foothold. This year, we also introduced a refreshed range of ceiling fans. Furthermore, our integrated capabilities in metalwork, plastics, motor manufacturing, and EMS uniquely position us for success in the BLDC ceiling fan segment.

In terms of strategic alliances, our partnership with Signify has evolved amicably, driven by the need to diversify and serve multiple customers, thus ensuring a competitive edge in pricing and volumes. Moving forward, we are optimistic about capitalizing on opportunities in the Baton and Troffer segments, which form a significant part of the non-lamp lighting business. Building on our strong relationships with customers in the appliance and motor segments, we are well-positioned to expand our presence in these markets.

I am deeply proud of the significant progress we have made and the exciting opportunities that lie ahead. Our commitment to innovation, quality, and customer satisfaction remains resolute. I extend my sincere gratitude to our dedicated team, loyal customers, and supportive shareholders for their trust and encouragement. Together, we will continue to scale new heights and drive sustainable growth, shaping a future of shared success and collective prosperity for Elin Electronics.

Warm regards,

Praveen Tandon

Chief Executive Officer

Strategies

ADVANCING SEAMLESSLY WITH PURPOSEFUL STRATEGIES



Improving Customer Relationships

We are dedicated to expand our customer base and deepen relationships through strategic cross-selling and product development initiatives. By ramping up our cross-selling efforts and venturing into new product verticals with our existing customers, we seek to strengthen our market presence. Our persistent collaboration with leading brands such as Philips, USHA, and Panasonic fuel our cross-selling expansion, significantly driving revenue growth. Moreover, we continue to steadily expand our customer base, as evident in our track record of serving 387, 342, 402 and 388 customers in 2021, 2022, 2023 and 2024 respectively, further cementing our industry positioning.



Enhancing ODM Share of the Business

We are strategically advancing the ODM segment of our business to address the increasing demand for manufacturing partners with our comprehensive capabilities. Our ODM expertise spans a diverse range of lighting products, such as baton lights, down lights, flashlights, wall lights, and linear lights, along with small appliances including irons and mixer grinders. By harnessing our vast OEM experience and sound R&D capabilities, we continue to attract new customers and diversify our product portfolio to drive growth and innovation.



Increasing Our R&D Competence

We strive to augment our capabilities and capitalise on our manufacturing experience by prioritising R&D in engineering, product, die and mould designing, electronic circuit designing, and prototype designing. At Elin Electronics, we focus on continuous innovation and updates to align with customer preferences, aiming to emerge as the preferred supplier renowned for excellence in comfort and quality.

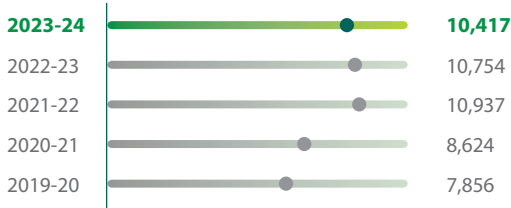


Positioning as a One-Stop-Shop Facility with Increased Backward Integration

We aim to establish Elin Electronics as a comprehensive one-stop-shop facility with enhanced backward integration. To achieve this objective, we plan to acquire equipment, boost moulding capacity, and automate processes, including motor assembly and sheet metal production.

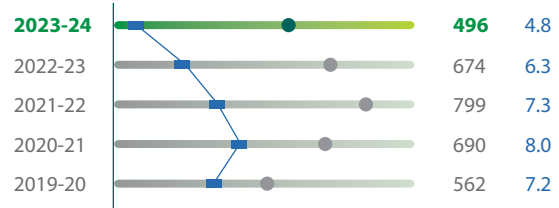
MOVING FORWARD WITH STEADY FINANCIALS

Revenue (₹ in Million)



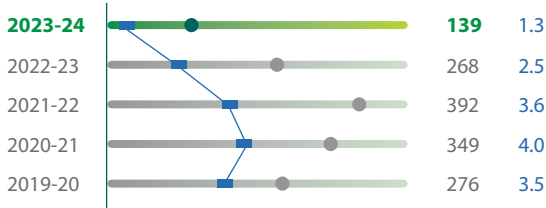
EBITDA (₹ in Million)

■ EBITDA Margin (%)

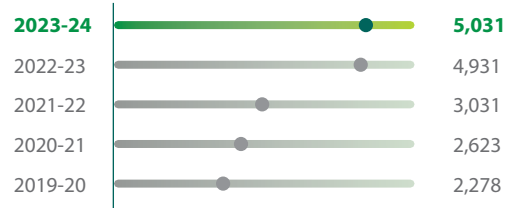


PAT (₹ in Million)

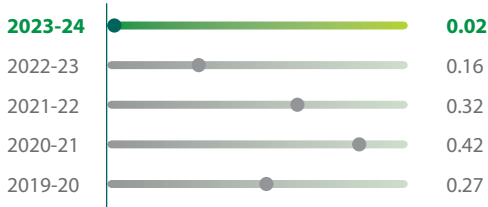
■ PAT Margin (%)



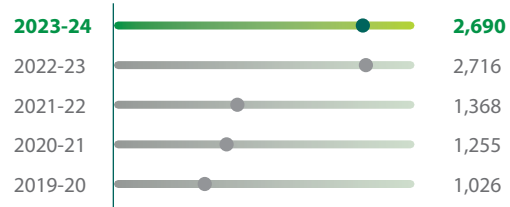
Net Worth (₹ in Million)



Debt-Equity Ratio (X)

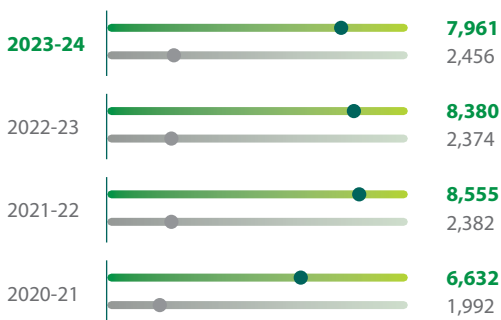


Working Capital (₹ in Million)



Diversified Product Profile Revenue Break-up

(₹ in Million) ■ Total EMS ■ Total Non-EMS



Manufacturing facilities

SCALING GREATER HEIGHTS THROUGH MANUFACTURING PROWESS

We, at Elin Electronics, excel through our operational prowess, continuously scaling new heights in terms of manufacturing efficiency and revenue generation. Our success is driven by our commitment to deliver products and services that comply with the highest standards of quality and dependability. By fostering a thriving culture of constant improvement and innovation, we ensure sustained growth and customer satisfaction, reaffirming our leading edge in manufacturing expertise.

Our in-house manufacturing capabilities encompass die and mould production, sheet metal components, plastic moulded components, aluminium die casting, and surface coating, facilitating extensive backward integration that support all our product verticals. Our state-of-the-art manufacturing units in Ghaziabad (Uttar Pradesh), Baddi (Himachal Pradesh), and Verna (Goa) are equipped with high-quality machinery, assembly lines, and full power backup, leading to prompt delivery of superior products. Our strategy of sourcing energy from local utilities and DG sets, and water from ground sources and local utilities, further boost the efficiency of our manufacturing operations. Moreover, with the allocation of land in Bhiwadi (Rajasthan) and Noida (Uttar Pradesh) for future expansion, Elin Electronics is well-placed to propel the growth momentum, further solidifying our operational edge within the industry.





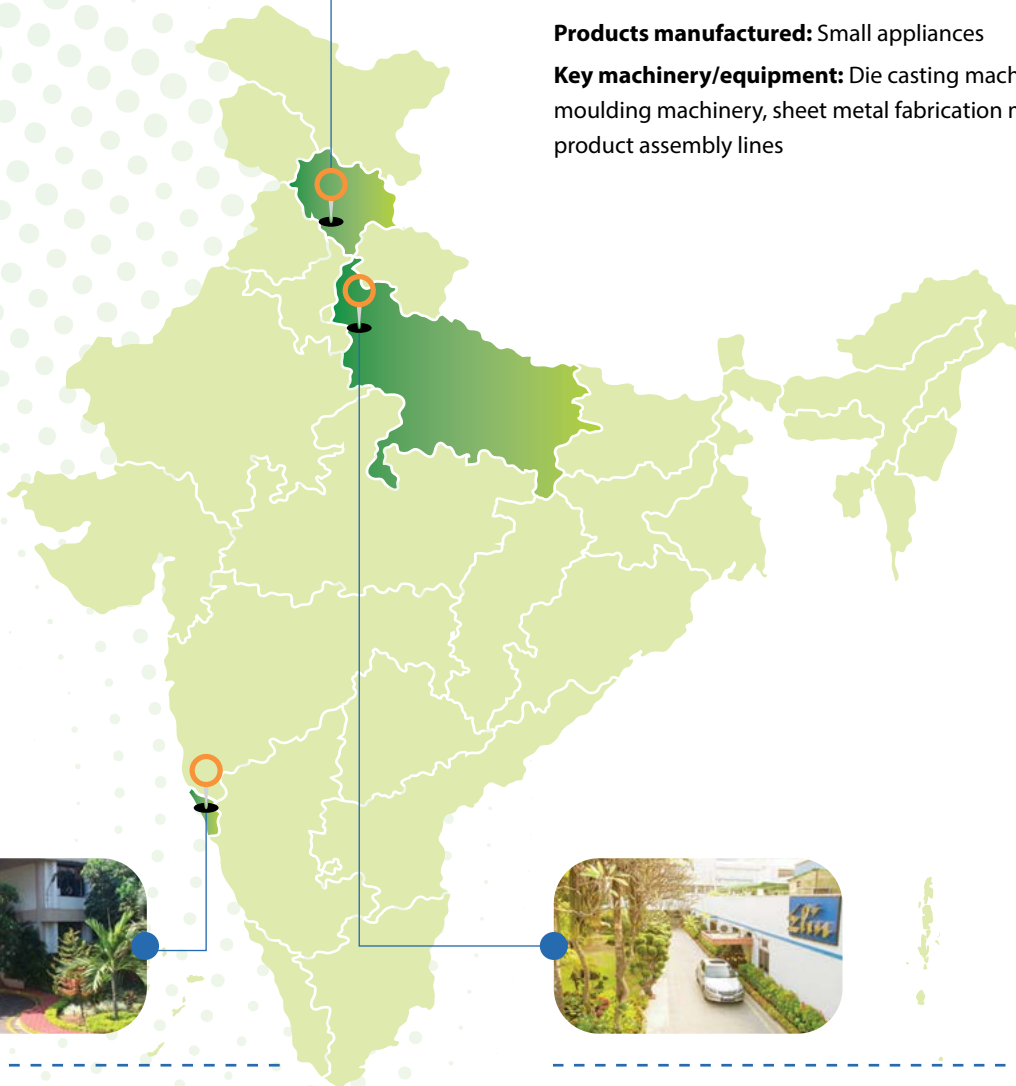
Baddi (Himachal Pradesh)

Area (in square metre): 20,882.00

Year of commencement: 2004

Products manufactured: Small appliances

Key machinery/equipment: Die casting machinery, plastic moulding machinery, sheet metal fabrication machinery, and product assembly lines



Verna (Goa)

Area (in square metre): 7,500.00

Year of commencement: 1995

Products manufactured: Medical diagnostic cartridges, plastic moulded parts, and sheet metal components

Key machinery/equipment: Tool manufacturing machinery, plastic moulding machinery, and product assembly lines



Ghaziabad (Uttar Pradesh)

Area (in square metre): 19,868.89

Year of commencement: 1970

Products manufactured: FHP motors, LED lighting, fans and switches, plastic moulded parts, and sheet metal components

Key machinery/equipment: Tool manufacturing machinery, plastic moulding machinery, sheet metal fabrication machinery, product assembly lines, and PCB manufacturing SMT lines

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

OUR MANUFACTURING CAPABILITIES



Assembly Belts



Development and Engineering



Die Casting



Electronics Manufacturing Services



Injection Moulding



Motor Manufacturing



Tools Manufacturing



Press Shop



FOSTERING GROWTH THROUGH EMPOWERED WORKFORCE

We firmly believe that our employees are at the heart of our competitive edge. We diligently invest in their growth through strategic recruitment, immersive training, business orientation and skill enhancement to further elevate our collective prowess. We stay focused on creating a thriving talent pool, continuously up-skilling our team, and providing invaluable career advancement opportunities. Through strategic succession planning and dedicated talent management initiatives, we ensure our people feel empowered, motivated, and primed to lead us into a brighter future.

Our HR Goals

 Embracing Diversity	 Career Development	 Employee Empowerment
 Safe Workplace	 Cost Optimisation	 Workplace Engagement
 Transparent Culture	 Tackling Challenges	 Leadership Development

5,379
Total Employees
(Payroll/Contractual)

35 Years
Average Age

80%
Retention Rate

Talent Acquisition

At Elin Electronics, our talent acquisition function is rigorously assisted by a range of unique initiatives, aimed at facilitating skill development and career growth. We emphasise continuous improvement through both internal and external training programmes, that keep our employees at the cutting edge of knowledge and competence. Moreover, in alignment with our commitment to excellence, we deploy an annual performance reward system, that recognises and appraises outstanding contributions, motivating our team to achieve higher standards. Additionally, we believe in the power of diversification and ardently focus on broadening the skill sets of our employees. A key aspect of this prioritisation is our target-specific training programmes for shop floor workers, enabling them to transition into other departments and take on more complex roles, thereby facilitating their upward mobility.



Diversity and Women Empowerment

At Elin Electronics, our commitment to diversity and women empowerment is paramount. This dedication is evident through the deployment of over 150 women across various roles within our Company. Furthermore, we take it in our stride to upgrade the skill set of female employees through targeted training programmes, paving the way for them to advance to different departments and assume leadership roles. We take pride in the fact that women at Elin Electronics are not only engaged as line leaders and supervisors but also setting exceptional standards in managerial functions across various areas of our business operations. Moreover, by ensuring their participation in every committee and meeting, we empower their voices and uphold their involvement in the decision-making processes. Additionally, through the setting up of a POSH committee, we address any grievances related to women, further reinforcing our commitment to creating a safe and inclusive work environment.

Learning Initiatives

At Elin Electronics, we strongly focus on learning initiatives that lead to two-pronged benefits: employee retention and skill development. We stay committed to upgrading our training programmes to ensure that our team remains competitive and proficient in the latest industry practices. We actively hire On-the-Job Trainees (OJT) from various Industrial Training Institutes (ITIs), providing them with practical experience and a pathway to career growth. Additionally, we participate in Government initiatives by recruiting trainees through the National Apprenticeship Promotion Scheme (NAPS) and the National Apprenticeship Training Scheme (NATS). Through these concerted efforts, we strive to nurture a highly motivated, well-skilled workforce, demonstrating our dedication to cultivating talent and continuously supporting their learning and development needs.

Employee Sponsorship and Education Programme

- Signed MOUs with more than 30 government and private institutes to provide on-the-job training (OJT) to their students, with more than 500 students being trained in our factory each year
- Hired a substantial number of such individuals upon completion of their OJT, ensuring a continuous influx of well-trained talent into our workforce
- Sponsored employees who wish to pursue higher education, supporting their ambitions to upgrade their skills and knowledge

Performance Management and Talent Development

At Elin Electronics, we place performance management and talent development at the core of our commitment to employee retention and satisfaction. We take pride in the industry benchmarked facilities we offer to our employees, including comprehensive leave policies and excellent canteen services, always prioritising their well-being and comfort. We are firm in our dedication to maintaining a positive work culture and environment within our organisation, strengthening team bonding and boosting productivity through collaboration. We deploy a performance-based annual appraisal system that recognises and rewards employees' contributions, inspiring and motivating them for continuous improvement and professional growth. These initiatives collectively create a supportive and dynamic workplace where every talent thrives.

Merit-Based Career Progression

At Elin Electronics, we inculcate a system of merit-based career progression, providing our employees with ample opportunities for growth and development. Every year, we recognise and reward hard work and potential by promoting workers to staff positions based on their abilities. We encourage those seeking further career advancement and offer higher roles to existing employees, supporting their professional aspirations and aligning with their career choices. Furthermore, after careful evaluation of their potential and capability, we assign dual responsibilities to select employees, allowing them to enhance their skills and broaden their expertise.

Rewards and Recognition

At Elin Electronics, we craft our sound reward and recognition programmes to foster a culture of excellence and continuous improvement. We honour our top-performing team members for their exceptional contributions, acknowledging their instrumental role in our success. Moreover, we have in place an innovative best suggestion scheme that encourages employees to share out-of-the-box ideas, with rewards for the most impactful suggestions. Additionally, we celebrate outstanding Kaizen activities, recognising those who drive process improvements. Furthermore, we reward the best paintings on safety and environment, highlighting our commitment to a safe and sustainable workplace. With these proactive and holistic initiatives, we strive to ensure the fact that our employees feel valued and motivated to contribute their best.



Employee Well-Being

At Elin Electronics, we prioritise employee well-being and implement a comprehensive set of measures to protect the health and safety of our workforce. In alignment with this employee centricity, we conduct regular medical examinations tailored to the nature of the working environment. These initiatives include general health check-ups for all employees, in addition to specialised spirometry and audiometric tests for those engaged in hazardous activities. Additionally, we rigorously maintain our factory premises with fogging sprays and sanitation, complemented by an Annual Maintenance Contract (AMC) with a third-party vendor for pest control monitoring, featuring weekly spraying every Sunday. We also collaborate with nearby hospitals in Baddi and Nalagarh to provide emergency assistance and offer ambulance facilities for our employees. Additionally, a dedicated staff nurse is on hand to administer first aid, and monitor near-miss incidents, and accidents, ensuring swift and effective response. Moreover, we provide safety precautions such as safety sensors, fencing barricades, and two-hand engaged operation systems to enhance worker safety on machines. These concerted endeavours reflect our firm commitment to maintaining a safe, healthy and supportive work environment for all our employees.

Employee Wellness Programmes Organised

- Festival Celebrations
- Birthday Celebrations
- Motivational Trainings through Videos
- Blood Donation Camp

Environment

EMBEDDING STEWARDSHIP IN EVERY ACTION

We are resolutely committed to nurturing a sustainable and healthy environment, embedding this ethos into every facet of our operations. Our holistic approach to environmental management ensures a safe, secure, and hygienic workplace for all, driven by stringent sanitation protocols and state-of-the-art safety measures. We prioritise the well-being of our employees and the planet by continuously innovating and adapting our practices to further bolster our environmental stewardship.



Water Management

Our commitment to water conservation is evidenced by our proactive efforts to reduce groundwater withdrawal. To facilitate the process, we implemented an innovative recycling system, treating water through a softener plant, and using the treated water for toilet flushing and gardening. Owing to these efforts, our fresh water withdrawal came down from 11,015 KL in 2019 to 8,700 KL in 2023.



Emissions Management

Our drive to reduce electricity consumption and carbon emissions is aided by the installation of solar daylight pipe/light systems.

Scope	CO ₂ -e (metric tonnes)	CO ₂ -e KG
1	176	1,76,000
2	873	8,73,000
Total CO ₂ -e	1049	10,49,000
Total Co₂ Emissions in 2023-24 (Kgs.)		10,49,000
Total Carbon Offset by Tree Plantations in and Near by Industries Location (Kgs.)		12,93,600
Carbon Balance to be Offset (Kgs.)		2,44,600



Waste Management

Our receipt of the residual waste disposal authorisation from the Himachal Pradesh Pollution Control Board, valid until 31st March, 2027, is a major step forward towards effective waste management. Moreover, we partner with Shavlik Solid Waste Management, a government-authorised and NABL-certified waste disposal vendor, ensuring that we maintain manifest records in the prescribed formats. Additionally, we operate an STP for treating generated wastewater, with periodic consent testing by an authorised agency. The outcomes obtained through the testing are regularly evaluated by the management for proficient decision-making.



Sustainable Packaging Initiatives

Our dedication to sustainable practices is exemplified by the substitution of non-biodegradable packaging with biodegradable options, such as OGR packaging for trimmer products. Moreover, we continue to prioritise the elimination of poly bags by adopting honeycomb packaging and increasing the usage of PP corrugation instead of paper corrugation.

Environment, Health and Safety Campaigns Organised

- Road Safety Week
- World Environment Day
- World Day for Safety & Health
- National Safety Day/Week
- Environment Education Week



EMPOWERING COMMUNITIES THROUGH RESPONSIBLE ACTIONS

We consider Corporate Social Responsibility (CSR) as a core tenet of our business philosophy. Hence, our commitment extends well beyond the design and delivery of innovative products and services. Rather, we believe it is our duty to drive positive change in the communities we serve. In alignment with this motto, we craft our CSR initiatives to address critical societal challenges through sustainable practices, educational support, environmental stewardship, and community development. By embedding CSR into the very fabric of our operations, we strive to generate shared value, enhance stakeholder well-being, and advance towards a more equitable and sustainable future.



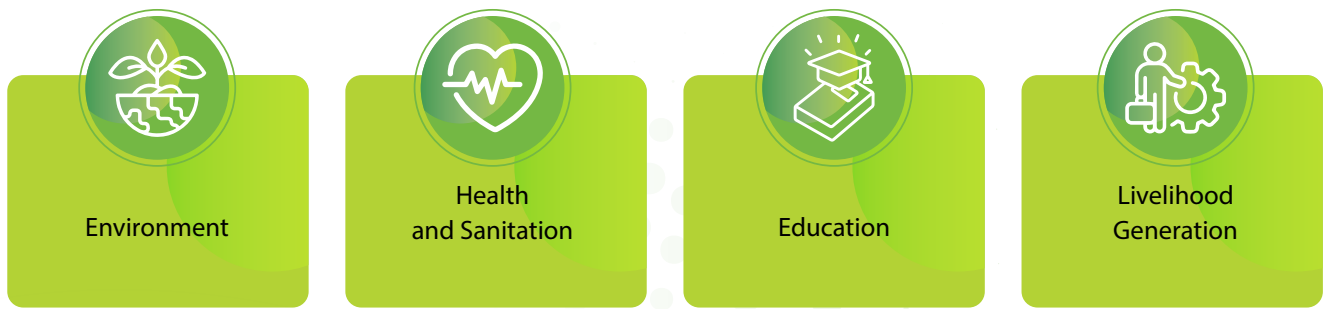
8.52 Million

CSR Spend in 2023-24

Our CSR Policy

To conduct core business in a socially responsible way, complimented by the investment in communities, so as to produce an overall positive impact on the society.

Key Thematic Areas



Our CSR Objectives

- Undertaking meaningful social welfare activities to uplift the society at large
- Protecting and maintaining the environmental balance in the areas adjoining our factory and office
- Developing the remote areas and places near the factory during business operations



Key CSR Activities, 2023-24

Project Miniature Park

We received a request letter from the Gram Panchayat Pradhan following a meeting with all ward Panch and local villagers to convert a barren land into a park with walking trails, various oxygen-producing plant species and children's play equipment in a village located 2.5 Kilometres from our factory.



Aim of the Project

- Providing environment sustainability, ecological balance and protection of flora and fauna in the village
- Serve all age groups where they can take a walk and can relax in the lawn area. Installed benches.
- Planting different species / types of trees with markings on them relating to plant origin
- Installation of exercising / playing equipment for people of the village
- Rain harvesting pits

Project Ujjawal

We have contributed to CSR initiatives aimed at promoting grassroots sports. As per the request of Gram Panchayat Saned, the children come for practice from Himachal and other states, many of whom have been awarded at national and international levels from this academy.



Aim of the Project

- Creating a healthy atmosphere for better grooming and regular participation in sports and learning for children and youth, with all basic amenities in place.
- To help the needy children who cannot afford training at an expensive sports academy
- Providing a universal framework for learning values, thus contributing to the development of soft skills needed for responsible citizenship

CREATING VALUE THROUGH ACCOUNTABILITY AND COMPLIANCE

We are firm in our commitment to the highest governance practices that integrate transparency and accountability in all our pursuits. Our leadership team is resolute in fostering operational efficiency, while upholding the highest standards of ethical conduct and social responsibility. These deliberate and organised efforts by the leadership team are crucial for creating lasting value for our stakeholders. Additionally, by prioritising strict adherence to all relevant laws and regulations, we ensure robust corporate governance. Furthermore, we are committed to a policy of timely disclosures regarding our financials and business performance, further reaffirming our stringent stance on transparency and trust-based relationships.



Code of Conduct

At Elin Electronics, we uphold the highest standards of business ethics, transparency, and integrity, ensuring rigorous adherence to all applicable laws and regulations. We align with the Responsible Business Alliance (RBA) Code of Conduct, which guides our practices in the spheres of labour, ethics, the environment, health and safety, and management systems. Moreover, we maintain a comprehensive Legal Calendar to ensure compliance with statutory and regulatory requirements, leading to effective compliance management.

Eliminating Corruption

At Elin Electronics, we adopt a firm stance against all forms of bribery, corruption, extortion, and embezzlement. We mandate that all of our business transactions are conducted with transparency and accurately documented in our books and records. To ensure compliance with anti-corruption laws, we are formulating strict monitoring and enforcement procedures. Neither bribes nor any other methods of gaining undue or improper advantage are to be offered or accepted.

Our Business Ethics Policy



Imparting Training and Creating Awareness

At Elin Electronics, we understand that employee motivation flourishes when given the opportunities to learn and advance in their careers. To support this growth, we offer innovative training programme encompassing video clips and offline games to enhance learning. Our yearly training calendar comes with a multitude of programmes focusing on productivity, health and safety, environmental awareness, motivation, and time management. Each of these activities are meticulously designed to boost employee confidence and performance, fostering continuous development and success.

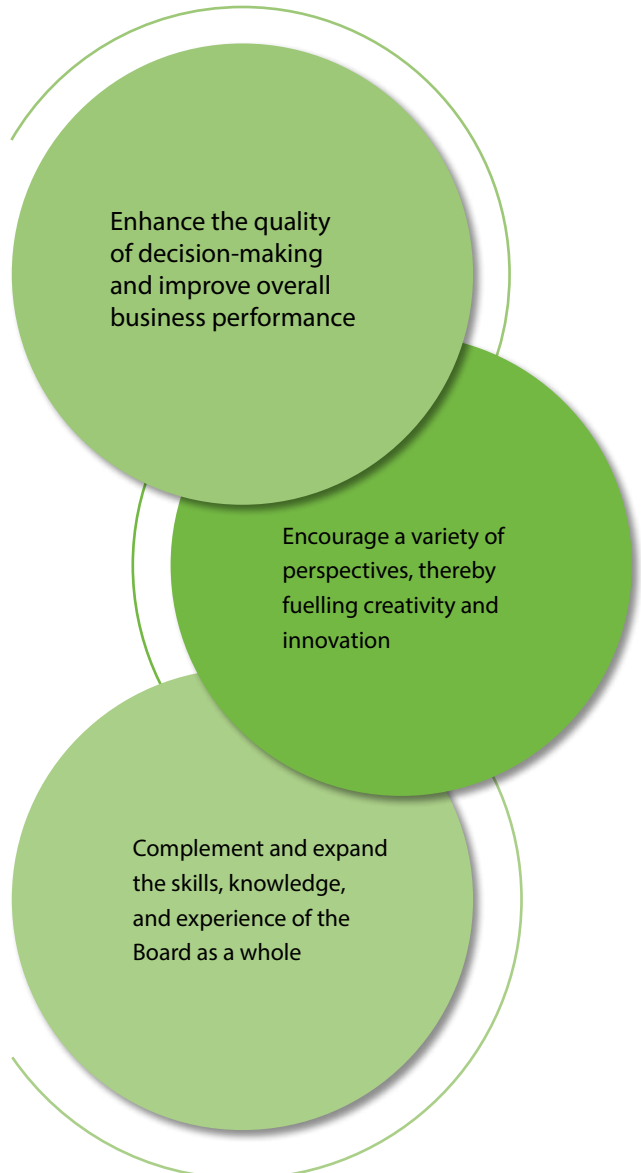
Effectively Managing Risks

At Elin Electronics, our corporate risk management policy is formulated to drive sustainable business growth and stability through a proactive and dynamic approach to risk management. This comprehensive policy delineates a structured process encompassing risk identification, risk assessment, risk mitigation, monitoring, and reporting. These strategic steps are aimed at achieving the policy's overarching objectives of safeguarding and advancing our business.

Ensuring Board Diversity

At Elin Electronics, we attach immense value to leadership effectiveness, corporate culture, and strategic vision to propel overall corporate success. We recognise that organisations that embrace diversity as part of a broader commitment to inclusivity and ethical leadership tend to experience long-term benefits. Our Board Diversity Policy, sanctioned by the Board of Directors, highlights the importance of a diverse Board in leveraging the unique skills and experiences of its members for our collective benefit. Moreover, the policy provides a framework for harnessing diverse expertise and perspectives, ensuring they are directly relevant to the business and contribute to our Company's success.

Benefits of Board Diversity



Board of Directors

SHAPING OUR TRAJECTORY WITH INSPIRING LEADERSHIP



Mr. Mangi Lall Sethia
Chairman & Whole-Time
Director



Mr. Kamal Sethia
Managing Director



Mr. Sanjeev Sethia
Whole-Time Director



Mr. Sumit Sethia
Whole-Time Director



Mr. Kamal Singh Baid
Independent Director



Ms. Shilpa Baid
Independent Director



Dr. Shanti Lal Sarnot
Independent Director



Mr. Ashis Chandra Guha
Independent Director

Key Managerial Personnel

Mr. Praveen Tandon

Chief Executive Officer
W.E.F. April 17, 2024

Mr. Kishore Sethia

Director (Operations)

Mr. Raj Karan Chhajer

Chief Financial Officer

Ms. Lata Rani Pawa

Company Secretary & Compliance
Officer

Awards

WINNING ACCOLADES FOR PERFORMANCE DISTINCTION

2014

DENSO

Regional Cooperation Award

2016

ELCINA EFY

Excellence in Electronics

2018

PHILIPS

Customer First Award at the
Philips Lightning Supplier
Event India

2023

DENSO

Appreciation Award to
Achieve 100% Delivery in
September 2022

2014

IFB
Industries Limited

Bronze Supplier Award

2016

ELCINA EFY

Winner of ELCINA-EFY
'1st Prize' in Environment
Management Excellence
Award

2018

DAIKIN

Best Supplier Quality Award-
Certificate of Appreciation, in
Recognition of Outstanding
Efforts to Achieve 'Quality
Target For 2016-17'

2023

DENSO

Outstanding Performance
Award for Development
Support in 2022-23

2014

DENSO

Certificate of Appreciation
in the Category of 'Regional
Best Supplier'

2017

FICCI

Certificate of Gold
(Second Prize) in Medium-
Size Category in the
Manufacturing Sector

2019

**INDIA
SME
FORUM**

Winner of 'India SME 100
Awards', Ranking Among
the Top 100 out of 34,011
Nominations

2016

IFB
Industries Limited

Certificate of Appreciation in
Recognition of Unflinching
Support

2017



Silver Rating under Financial
Support to MSMEs in ZED
Certification Scheme

2022

DENSO

Direct Online Business
Partner March 2022

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Mangi Lall Sethia

Chairman & Whole-Time Director

Mr. Kamal Sethia

Managing Director

Mr. Sanjeev Sethia

Whole-Time Director

Mr. Sumit Sethia

Whole-Time Director

Mr. Kamal Singh Baid

Independent Director

Ms. Shilpa Baid

Independent Director

Mr. Ashis Chandra Guha

Independent Director

Dr. Shanti Lal Sarnot

Independent Director

CHIEF FINANCIAL OFFICER

Mr. Raj Karan Chhajjer

COMPANY SECRETARY

Ms. Lata Rani Pawa

AUDITORS

Oswal Sunil & Company

(Resigned w.e.f. 10th August, 2023)

S. R. Batliboi & Co. LLP

(Appointed w.e.f. 10th August, 2023)

REGISTRAR TRANSFER AGENT KFin Technologies Limited

Selenium, Tower B, Plot No 31 and 32,
Financial District, Nanakramguda,
Serilingampally, Rangareddi, Hyderabad - 500
032, Telangana

BANKERS

HDFC Bank Limited

Citibank N.A.

ICICI Bank Limited

REGISTERED AND CORPORATE OFFICE

4771, Bharat Ram Road, 23,
Daryaganj, Delhi - 110 002
Tel: +91 11 4300 0400
CIN: L29304DL1982PLC428372
Email ID: rkc@elinindia.com
Website: www.elinindia.com

Management Discussion and Analysis

GLOBAL ECONOMIC REVIEW

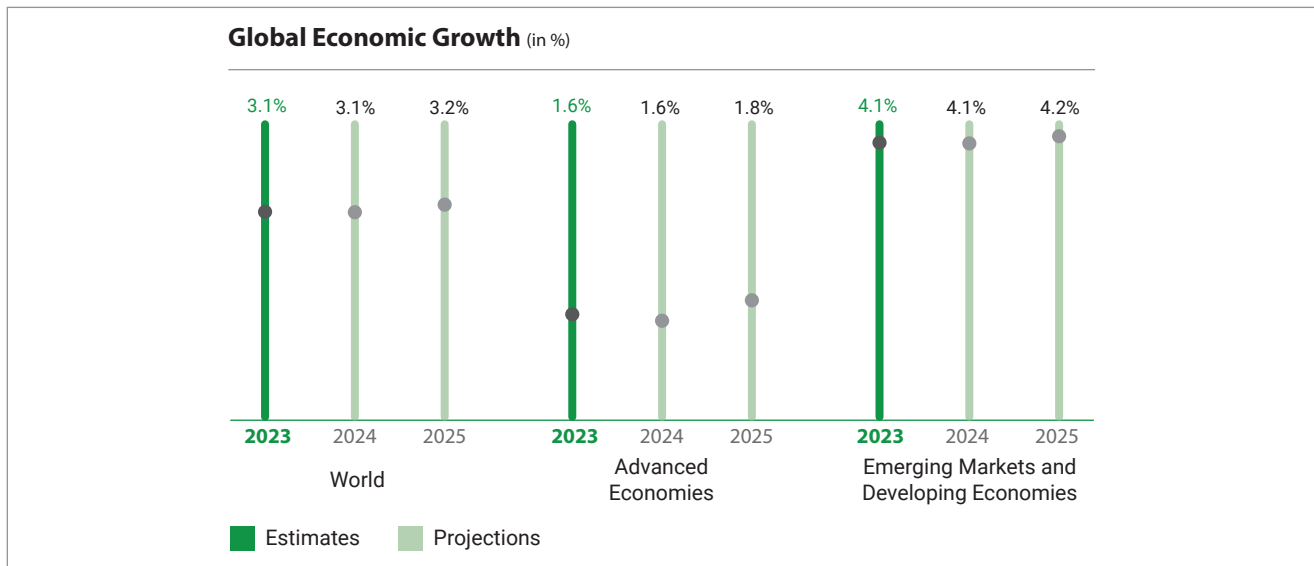
The global economy demonstrated remarkable resilience during the fiscal year despite enduring repeated and overlapping shocks, coupled with unprecedented monetary tightening measures. Growth in the US and several key emerging market economies (EMEs) surpassed expectations. While manufacturing activity remained subdued, the services sector exhibited considerable strength. In 2023, the global economy grew by 3.1%, and is expected to slow down to 2.9% in 2024. Although, headline inflation has decreased across countries, the decline in core and service inflation has been gradual, considering the persistently tightened labour market conditions. Major central banks in advanced economies (AEs) have kept policy rates on hold to ensure alignment of inflation with targets.

Global crude oil prices remained highly volatile, with Brent crude falling from a peak of USD 95 in early October 2023 to below USD 75 by mid-December, before rebounding and settling above USD 80 in the first quarter of 2024. An escalation in the conflict in West Asia and logistical

challenges on key trade routes may cause substantial disruptions in the oil market. Assuming crude oil prices to be 10% above the baseline, domestic inflation could increase by 30 basis points (bps), while economic growth could slow by about 15 bps, respectively. Conversely, the de-escalation of geopolitical tensions and a further weakening of global demand could lead to a decline in crude oil prices.

Following a two-year surge, global inflation showed signs of easing in 2023, although it remained elevated compared to the 2010-2019 average. Global headline inflation peaked at 8.1% in 2022, the highest in nearly three decades, before declining to an estimated 5.7% in 2023. Projections for 2024 indicate a further decrease to 3.9%, driven by the continued moderation in international commodity prices and reduced demand amid monetary tightening measures. While developed economies witnessed a notable slowdown in inflation, core inflation rates remain relatively high due to rising service sector prices and tight labor markets. In most developing countries, inflation peaked in 2023 and is expected to continue moderating in 2024.

GLOBAL ECONOMIC GROWTH (IN %)



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024>)

OUTLOOK

Looking ahead, the global economy is anticipated to grow at a steady pace, with diminishing effects of positive shocks. This growth is likely to be accompanied by rising yields and tighter credit conditions. Persistent supply disruptions and a shift in inflation sentiment may restrain the decline in inflation. Consequently, the business sector is likely to experience increased pressure, with shrinking profit

margins, in turn leading to a slowdown in employment and expenditure.

The potential resurgence of consumer price inflation remains a primary concern for the global economy. The trajectory of the economic rebound in 2025 largely hinges on central banks easing economic constraints, as inflation indicators approach their respective targets. The US and the Euro Area are particularly vulnerable, with real policy

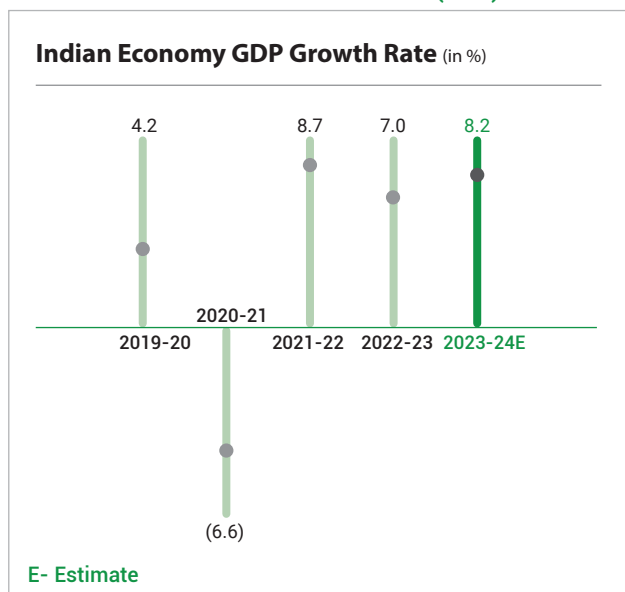
Management Discussion and Analysis (Contd.)

rates currently at their highest levels since January 2008. Prolonged periods of high rates could substantially dampen economic activity, potentially turning mild recessions into more severe downturns.

INDIAN ECONOMIC REVIEW

The Indian economy was estimated to have grown by 8.2% in 2023-24, as against 7.0% in 2022-23, mainly owing to improved performance in the mining and quarrying, the manufacturing sector and certain segments of the services sector. India retained its position as the fifth largest economy and is expected to continue registering the highest growth rate among the top five economies in the foreseeable future. As the world's fastest-growing economy for both the fiscal years 2022-23 and 2023-24, India witnessed several developments in 2023 that heightened foreign investor confidence. According to Reuters', India has reached a pivotal phase of the S-curve, characterized by a significant acceleration in urbanization, industrialization, household incomes and energy consumption.

INDIAN ECONOMY GDP GROWTH RATE (IN %)



In 2023, progressive government reforms and rising investor confidence had a profound impact on India's growth story. The country's Nifty 50 Index reached a new high, growing by 16% during the year. India's stock market is now the seventh largest, with a market capitalization of USD 3.989 Trillion. In the last three months of 2023, India witnessed a significant increase in foreign investments in government bonds, reflecting enhanced global confidence in the nation's economic prospects. The increased foreign investments led

the Reserve Bank of India to add around USD 58 Billion to its foreign exchange reserves, showcasing growing investor confidence towards the country's prospects. Concurrently, India's unemployment rate dropped to a historic low of 3.2% in 2023, down from 6.1% in 2018, reflecting substantial improvements in the labor market. Additionally, sectors such as financial services, real estate, and professional services are projected to grow by 8.9% in 2023-24, up from 7.1% recorded in the previous year. These developments suggest a robust economic environment conducive to both domestic and international investments.

The construction and manufacturing sector remained the driving force behind India's economic growth. The construction sector registered robust growth, with gross value added at basic prices reaching 9.9% in 2023-24 as against 9.4% recorded during the previous fiscal year. Similarly, the manufacturing sector witnessed a remarkable surge in gross value added to 9.9% in 2023-24, compared to a decline of 2.2% in the preceding fiscal year. However, the services sector witnessed a slight moderation in growth in 2023-24, decreasing to 7.8% from 8.9% in 2022-23. Within the services sector, the largest component, comprising trade, hotels, transport, and communication expanded by 6.4%, supported by a higher base. Conversely, the agriculture sector grew by 1.4% in 2023-24, marking a seven-year low, primarily attributed to poor Kharif harvests and inadequate initial sowing of Rabi crops.

On the other hand, India's infrastructure capacity has seen substantial improvements. The Government has spent ₹ 23 Lakh Crores on infrastructure spending over the last three years (2021-22 to 2023-24). The infrastructure focus is evident from the capital spending to GDP ratio which has nearly doubled from 1.6% of GDP in 2018-19 to 3.2% of GDP in 2023-24. Notably, almost 40% of the total capital spending has been directed towards the development of roads, highways, and railways through government initiatives such as Sagarmala Pariyojana, Bharatmala Pariyojana, and UDAN, among others. In the Interim Budget for 2024-25, the Government has constrained the growth of infrastructure outlay to 11.11%, aiming to contain fiscal deficit within 4.5% by 2025-26. Moreover, the Government is planning to revive various schemes such as FAME and Smart Cities Mission to enhance the country's infrastructure framework.

(Source: https://www.business-standard.com/economy/news/farm-sector-growth-may-drop-to-4-year-low-of-1-8-in-fy-24-due-to-el-nino-124010501073_1.html, <https://www.thehindu.com/business/Economy/india->

Management Discussion and Analysis (Contd.)

[to-become-third-largest-economy-with-gdp-of-5-trillion-in-three-years-finance-ministry/article67788662.ece, https://economictimes.indiatimes.com/news/economy/infrastructure/budget-2024-need-for-infra-push-2-0-to-make-indias-roads-railways-one-of-worlds-best/articleshow/107282175.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst, http://timesofindia.indiatimes.com/articleshow/109248603.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst](https://economictimes.indiatimes.com/news/economy/infrastructure/budget-2024-need-for-infra-push-2-0-to-make-indias-roads-railways-one-of-worlds-best/articleshow/107282175.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst))

OUTLOOK

India is likely to maintain its position as the world's fastest-growing major economy, driven by growing demand, moderate inflation, a stable interest rate regime and robust foreign exchange reserves. Projected to achieve nearly 7% growth in 2024-25, the economy may benefit from strong private consumption and investment, robust domestic demand and comprehensive government reforms implemented over the past decade. Significant investments in both physical and digital infrastructure, coupled with measures to bolster manufacturing, have strengthened the supply side. Together, such developments are likely to provide an impetus to the country's economic activity.

Looking ahead, India is poised to reach the USD 4 Trillion mark in 2024-25 and aims for USD 5 Trillion by 2026-27. The Government has also set an ambitious goal of transforming the country into a developed nation by 2047. India will sustain its upward growth trajectory, propelled by stable and robust domestic demand, expanding private consumption and investments, and ongoing structural reforms.

GLOBAL ELECTRONICS INDUSTRY REVIEW

The global electronics and IT industries are expected to witness positive growth in 2024. This growth is likely to be driven by advancements in generative AI, expanded robotics applications in business, and the transition to electric vehicles. Production is expected to increase by 9% year-on-year, reaching USD 3,686 Billion.

The consumer electronics market is estimated to grow from USD 815.16 Billion in 2024 to USD 1,467.94 Billion by 2032, exhibiting a CAGR of 7.63% during the forecast period. The key drivers of this growth include the increasing adoption of smart home devices, rising urbanisation and income levels, and government initiatives supporting the electronics manufacturing sector. However, the electronics industry witnessed various challenges in 2023. These included

a slight year-on-year decline in domestic production by Japanese electronics companies due to reduced exports of electronic components and devices amid a global drop in demand. Looking ahead, 2024 is expected to be a 'reset year' for the industry, with unchanged revenues as the post-pandemic supply chain effects subside. However, a rebound in demand is expected in the second half of 2024, as the underlying growth drivers for the industry reassert themselves.

(Source: <https://www.jeita.or.jp/english/press/2023/1221.pdf>, <https://www.fortunebusinessinsights.com/consumer-electronics-market-104693>, <https://www.eetimes.eu/electronics-industry-outlook-2024-will-be-a-reset-year/>)

GLOBAL EMS INDUSTRY REVIEW

The global electronic manufacturing services (EMS) market is estimated to grow from USD 573.75 Billion in 2024 to USD 1,017.85 Billion by 2032. This translates to a compound annual growth rate (CAGR) of 7.4%. The market comprises several segments, such as consumer electronics, automotive, heavy industrial manufacturing, healthcare, IT, telecom, aerospace, and defense, among others.

The consumer electronics segment holds the largest market share due to consistent demand for innovative and feature-rich electronic devices. Frequent product launches and technological advancements in consumer electronics drive growth in this segment.

The IT and telecom segment registered the highest growth rate during the year, fuelled by the constant evolution of technology, the growing demand for seamless communication services, and the rollout of 5G technology. The automotive segment is the second largest in the EMS market, relying on EMS for advanced vehicle electronics that emphasize safety features, connectivity, and smart technologies. The aerospace and defense industry depends heavily on EMS for compliance, owing to its stringent quality and safety standards. Hence, this industry holds a considerable global market share.

Geographically, the Asia-Pacific region dominated the market in 2023, driven by its strong presence in the consumer electronics, automotive, and telecommunications sectors. China, in particular, emerged as a manufacturing powerhouse and major player in the global electronics industry. Europe holds the second-largest market share due to its focus on innovation and high-tech manufacturing. North America was another significant player in the global EMS landscape.

Management Discussion and Analysis (Contd.)

Substantial R&D investments in research and development contributed to the region's capability to offer cutting-edge solutions and maintain technological leadership. The Middle East & Africa are growing in importance due to increased infrastructure development and technology investments. South America, though comparatively smaller in market share, is steadily expanding its market presence through electronics manufacturing activities.

(Source: <https://www.fortunebusinessinsights.com/electronic-manufacturing-services-ems-market-105519>)

INDIAN ELECTRONICS INDUSTRY REVIEW

India's electronics industry is experiencing rapid growth and is driven by ambitious goals and a strategic vision to become a global leader. With proactive Government policies, India aims to reach USD 300 Billion in electronics production, with a significant focus on exports. A recent surge in electronics exports, surpassing USD 20 Billion within nine months of 2023-24, underscores India's growing competitiveness and potential on the global stage. This achievement not only highlights India's prowess in electronics manufacturing but also paves the way for further exploration of export opportunities.

Alongside these opportunities, India faces challenges such as a shortage of skilled labor and competition from established players like China and Vietnam. Addressing these issues is crucial for fully realising the nation's potential in the global market. Government initiatives like the India-Middle East-Europe Economic Corridor, highlight efforts to unlock India's export potential. However, a more comprehensive approach is essential to surmount obstacles and ensure sustained success in the global electronics arena. Strengthening trade agreements, fostering strategic partnerships, and removing entry barriers are essential to expanding India's export footprint and diversifying its export portfolio. Central to India's pursuit of a USD 300 Billion electronics industry is a concerted effort to bolster domestic manufacturing, reduce import dependence, and position the country as a formidable global player. Proactive government schemes such as the Electronics Manufacturing Clusters (EMC) and the Production Linked Incentive (PLI), have spurred growth, attracted investments, and fostered innovation in the sector. By creating an enabling environment for industry stakeholders and fostering a culture of innovation and entrepreneurship, India nurtures sustainable growth and global competitiveness.

(Source: <https://www.india.com/business/indias-sprint-toward-a-usd-300-billion-electronics-industry-and-exploring-export-possibilities-6939531/>)

INDIAN EMS INDUSTRY REVIEW

India's electronics manufacturing sector is expected to grow 15% to be worth USD 115 Billion in 2024, with a focus on higher value addition in components and product development. Mobile phone production is expected to surpass USD 50 Billion by March 2024, from around USD 42 Billion in the previous financial year. According to the Government, domestic electronics manufacturing increased over four-fold to ₹ 8.22 Lakh Crores or USD 102 Billion in the last 10 years from ₹ 1.80 Lakh Crores or USD 29.8 Billion in 2013-14.

EMS, which includes the designing, manufacturing, testing, distribution, and servicing electronic components and assemblies for OEMs, is expected to record a CAGR of 32% over the next five years. This growth rate is significantly higher than that of the global market and would reach USD 80 Billion by 2026. This growth is attributed by the enhanced outsourcing by original equipment manufacturers (OEMs), the China Plus One strategy, and the development of the domestic electronics ecosystem. The mobile, consumer electronics and appliances segments are estimated to register a CAGR of 31.5% over the next five years, providing growth opportunities for strategic and financial investors.

The Government of India aims to build a robust semiconductor ecosystem to support the rapidly expanding electronics manufacturing and innovation sectors. Reinforcing the vision of 'Aatmanirbhar Bharat', India is focussed to broaden its value chain and develop a semiconductor manufacturing ecosystem as per the global standards. Various government policies such as the Production Linked Incentive (PLI) scheme, the Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors, and the Modified Electronics Manufacturing Cluster (EMC 2.0) scheme aim to make India self-reliant in electronics manufacturing.

(Source: <https://economictimes.indiatimes.com/industry/cons-products/electronics/with-more-local-value-additions-electronics-manufacturing-sector-to-be-worth-115-bn-in-2024/articleshow/106420666.cms>, <https://www.researchandmarkets.com/report/india-printed-circuit-market>) (Source: <https://economictimes.indiatimes.com/industry/cons-products/electronics/with-more-local-value-additions-electronics-manufacturing-sector-to-be-worth-115-bn-in-2024/articleshow/106420666.cms?from=mdr>, https://www.ey.com/en_in/advanced-manufacturing/why-india-s-electronics-manufacturing-services-sector-is-growing, <https://economictimes.indiatimes.com/tech/startups/>)

Management Discussion and Analysis (Contd.)

[chips-to-startup-programme-underway-electronics-manufacturing-to-hit-300-billion-by-2026-it-mos/articleshow/105789119.cms?from=mdr](https://www.ipsos.com/india/articleshow/105789119.cms?from=mdr)

SECTORAL DEMAND DRIVERS

Domestic Demand

The electronics market is driven by a strong domestic demand, owing to factors such as a growing population, increasing income levels, and the expanding presence of electronics across various sectors, including consumer industries and industrial segments like defense, automotive, and railways.

Import Substitution

Currently, imports constitute around 30% of India's electronics market and are predominantly sourced from China. The Production Linked Incentives (PLI) scheme aims to boost the competitiveness of domestic manufacturing through the local sourcing of specific components within set timeframes. This initiative seeks to redirect a portion of import volumes towards domestic manufacturers.

Long-Term Export Opportunity

In recent years, businesses have been actively seeking alternatives to sourcing from China. This has been due to rising geopolitical tensions and trade barriers that have increased costs of procuring goods from the country. This situation presents a potential medium to long-term opportunity for Indian Electronics Manufacturing Service (EMS) providers.

Surge in Electronic Exports

In the fiscal year 2023-24, India's exports of electronics goods totalled USD 29.12 Billion, marking a 23.6% increase compared to the previous fiscal year (2022-23). The rising demand for exports is anticipated to strengthen the country's electronic manufacturing services sector.

China Plus One Strategy

Rising manufacturing costs in China are prompting OEMs to explore alternatives that offer comparable pricing, quality and responsiveness.

Surge in E-commerce Sales

India's e-commerce landscape is poised for a substantial surge to USD 325 Billion by 2030. The nation's digital economy is expected to reach an impressive USD 800 Billion by the same time. In the coming years, several factors such as high internet penetration, low-cost internet services and

substantial increase in rural smartphone users are expected to propel the sector towards a promising future.

OPPORTUNITIES

Government Initiatives and Support

- The Indian Government has launched initiatives like 'Make in India' and the Production Linked Incentive (PLI) scheme to promote the country as a global electronics hub and catalyze the growth of the EMS sector.
- The Government's unwavering support through policies like the PLI scheme provides significant incentives for industry players to expand their operations and capitalize on emerging opportunities.

Localization and Diversification Trends

- Original Equipment Manufacturers (OEMs) are increasingly looking to diversify production away from China due to rising costs and risks, presenting opportunities for India's EMS industry.
- OEMs are inclined towards localized manufacturing to streamline costs and enhance operational efficiency, driving EMS providers to offer tailored solutions that cater to this demand.

Technological Advancements and Innovation

- Technological advancements like Electric Vehicles (EVs), 5G, AI, IoT, and clean energy are creating new opportunities for the EMS sector.
- EMS providers are integrating cutting-edge technologies into their operations, unlocking new levels of productivity and competitiveness.

Sustainability and Environmental Focus

- With a growing emphasis on environmental conservation, EMS providers are embracing eco-friendly practices to minimize their carbon footprint, enhancing their appeal to environmentally-conscious consumers and investors.

THREATS

Competition from Other Countries

- Countries like Vietnam, Indonesia, and the Philippines are emerging as cost-competitive alternatives for electronics manufacturing, posing a threat to India's EMS sector. These countries offer lower labor costs

Management Discussion and Analysis (Contd.)

and favorable policies, making them attractive destinations for OEMs looking to diversify their manufacturing base.

Slowdown in Demand from Key Industries

- A slowdown in demand from key industries like automotive, aerospace, and defense could negatively impact the growth of the EMS sector in India.
- Fluctuations in global economic conditions and geopolitical tensions can lead to reduced demand for electronic products, affecting the EMS industry.

Lack of Domestic Component Manufacturing Base

- The Indian EMS sector currently relies heavily on imported electronic components, which accounts for a significant portion of the manufacturing cost.
- The lack of a well-established domestic electronic components manufacturing base makes the EMS industry vulnerable to supply chain disruptions and fluctuations in import costs.

Infrastructural and Regulatory Hurdles

- Inadequate infrastructure, such as reliable power supply, transportation networks, and industrial parks, can hinder the growth of the EMS sector in India.
- Regulatory challenges, such as complex tax structures and bureaucratic delays, can also create obstacles for EMS companies operating in the country.

Technological Advancements and Adaptation

- Rapid technological advancements in areas like 5G, AI, and IoT are transforming the electronics manufacturing landscape.
- EMS companies need to continuously invest in upgrading their capabilities and adopting new technologies to remain competitive, which can be a significant financial burden.

COMPANY OVERVIEW

Elin Electronics Limited (also referred to as 'Elin Electronics' or 'The Company') stands as a prominent player in India's Electronics Manufacturing Services (EMS) industry. The Company focuses on providing comprehensive product solutions for major brands in the lighting, fans, and small and kitchen appliances segments. Its diversified product portfolio includes LED lighting, fans, switches, small appliances, and FHP motors. Beyond EMS offerings, the

Company manufactures medical diagnostic cartridges for diagnostic devices, as well as plastic molded and sheet metal parts and components, catering to customers in the auto ancillary and consumer durables sectors.

The Company is proud to market and sell FHP motors under its flagship 'Elin' brand and ranks among the largest FHP motor manufacturers in the country. Furthermore, the Company holds a leading position in the EMS market for LED lighting and flashlights. It is also recognised as a significant player in the small appliances sector, offering both OEM and ODM capabilities. Under the OEM model, the Company produces and supplies products based on its customers' designs, which are then distributed under their brand names. Conversely, under the ODM model, the Company conceptualises, designs, and manufactures products marketed by its customers under their respective brands. The EMS segment contributes 76.42% of the Company's revenues, while the non-EMS segment accounts for 23.58% of the Company's revenues.

Elin Appliances Private Limited (EAPL), a wholly owned subsidiary of Elin Electronics founded on 21st August, 2002, specializes in manufacturing small appliances and personal care products. EAPL's product range includes home appliances such as toasters, juicers, irons, ovens, and white goods, among others. Additionally, the company offers personal care items that comprise hair straighteners, hair brushes, hair dryers and trimmers.

Manufacturing Synergy

Elin Electronics' in-house manufacturing capabilities seamlessly integrate die, mold, sheet metal, plastic molding, aluminum casting and surface coating processes. The Company's strategically located manufacturing facilities in Ghaziabad, Baddi, and Verna (Goa), state-of-the-art equipment, assembly lines and complete power redundancy ensure the swift delivery of premium goods. These facilities are supported by local utilities, DG sets and water sourcing, creating a robust manufacturing process. Future expansion plots have been secured in in Bhiwadi and Noida to further enhance manufacturing capacity.

Integrated Excellence

Elin Electronics' extensive backward integration leads to increased efficiencies, superior product quality, and improved customer retention. This integration positions the Company as a technologically advanced manufacturing and service partner, providing a competitive edge. A key component of this capability is the in-house PCB assembly,

Management Discussion and Analysis (Contd.)

which operates six fully automated lines with a capacity of 3,04,000 CPH, strengthening the Company's manufacturing prowess. Additionally, Elin Electronics produces FHP motors, sheet metal, plastic parts, tools, and dies, further bolstering its manufacturing capabilities.

The Company has invested to acquire the equity shares in Sunsure Solarpark Ten Private Limited (SPV). This strategic investment in solar power captive consumption can lead to reduced energy costs and enhanced sustainability. This move supports Elin Electronics' commitment towards eco-friendly manufacturing and can improve the competitive edge in the small appliances market.

R&D Empowerment Catalysing Innovation

At Elin Electronics, research and development (R&D) plays a pivotal role, driving engineering, product design, die and mold creation, electronic circuitry and prototype innovation. This commitment to R&D enhances the Company's capabilities, building on its manufacturing legacy. Its continuous efforts towards innovation align with customer preferences, securing the Company's position as the supplier of choice for unparalleled comfort and quality.

Factors Driving Business Segment Growth

LED Lighting

- Estimated at USD 4.70 Billion in 2024 and expected to reach USD 6.77 Billion by 2030
- Key manufacturer in the EMS space
- Revenue of LED Lighting for 2023-24: ₹ 2754 Million

(Source: <https://www.mordorintelligence.com/industry-reports/india-led-lighting-market/market-size>)

Small Appliances

- Expected to reach USD 27.27 Billion in 2024, registering a CAGR of 4.80% to reach USD 34.47 Billion by 2029
- Developed to cater Indian customers

- Strategic expansion into the electronic beauty products market
- Revenue of Small Appliances for 2023-24: ₹ 2368 Million

(Source: <https://www.mordorintelligence.com/industry-reports/india-small-home-appliances-market>)

FHP Motors

- Estimated to be valued at USD 14.63 Billion in 2022 and reach USD 20.95 Billion by 2030, recording a CAGR of 4.6%.
- Utilised in low-voltage applications, mainly in small appliances
- Manufactured to cater to a diverse customer base, comprising Bosch, Philips and Havells
- Estimated to witness enhanced demand in the next five years
- Revenue of FHP Motors for 2023-24: ₹ 2055 Million

(Source: <https://www.databridgemarketresearch.com/reports/global-fractional-horsepower-fhp-motors-market>)

Medical Diagnostic Devices

- Estimated to surpass USD 656 Billion by 2032
- Customised products for the Indian market
- Strategic entry into electronic beauty products market

(Source: <https://www.globenewswire.com/en/news-release/2023/03/01/2617891/0/en/Medical-Devices-Market-Size-656-Bn-by-2032-at-3-0-CAGR-Globally-Analysis-by-Market-us.html>)

Fan

- Estimated to reach 47.5 Million units by 2028
- Revenue of Fan for 2023-24: ₹ 368 Million

(Source: <https://www.bseindia.com/xml-data/corpfiling/AttachHis//4637e627-791f-4d6f-aa47-5d495a18258a.pdf>)

FINANCIAL PERFORMANCE

(Consolidated Numbers)

₹ in Million	2023-24	2022-23
Revenue	10,417	10,754
EBITDA	496	674
EBITDA Margin (%)	4.8	6.3
PAT	139	268

Management Discussion and Analysis (Contd.)

Financial Ratios

	2023-24	2022-23	% Change
Inventory Turnover (x)	6.59	6.55	0.52
Debtors Turnover Ratio (X)	5.25	5.74	(8.52)
Interest Coverage Ratio (x)	3.92	.75	423.35
Current Ratio (x)	2.74	2.43	12.75
Debt-Equity Ratio (x)	0.02	0.16	(85.21)
Operating Profit Margin (%)	2.67	4.53	(41.06)
Net Profit Margin (%)	1.33	2.49	(46.56)
Return on Equity/Return on Net Worth (%)	2.79	6.73	(58.63)

Explanation for Variances Exceeding 25%

PAT was impacted because of a change in depreciation policy on moulds & P&M.

Debt-Equity Ratio/Interest Coverage Ratio is reduced due to repayment of borrowings as part of utilisation of IPO proceeds during the year.

Due to lower profitability, Return on Equity/Return on Net Worth has declined.

(Note: There was no person or entity belonging to the promoter/promoter group which holds (s) 10% or more shareholding in the Company. Accordingly, disclosure under Regulation 2A of Schedule V of SEBI (LODR) Regulations, 2015 is not applicable to the Company.)

RISK MANAGEMENT

	Risk	Mitigation
Globalization Risk	The electronics industry in India faces stiff competition from affordable Chinese imports, intensifying challenges for domestic manufacturers. Chinese goods benefit from lower costs, better quality, and considerable government support, making it difficult for Indian companies to compete.	Elin Electronics has diversified its supply chain by exploring alternative markets and suppliers. The Company also continuously invests in product innovation to offer unique features and superior quality. These efforts aim to establish a competitive advantage and help withstand the challenges posed by affordable imports from China.
Industry Risk	A potential stagnation or decline within the industry can impact not just individual companies but the whole sector, creating widespread challenges and uncertainty.	Elin Electronics focuses on diversifying its product portfolio to serve various market segments and industries. The Company also invests in strategic partnerships and alliances to enhance its resilience and adaptability to changing industry dynamics.
Client Concentration Risk	Complete reliance on a small number of clients to generate the majority of revenue poses a risk to the Company. This risk arises from the potential loss of key customers or any issues these customers may encounter in their own businesses, which could adversely affect the Company.	Elin Electronics focusses on acquiring new customers and expanding into different market segments to reduce reliance on a limited number of clients. The Company also prioritises building strong, lasting relationships with existing clients by offering exceptional customer service and personalised support to ensure their continued loyalty and satisfaction.

Management Discussion and Analysis (Contd.)

	Risk	Mitigation
Regulatory Risk	The inability to comply with industry regulations and legal requirements can result in penalties for the Company and may cause damage to its reputation.	The Company stays updated on changes in relevant regulations and compliance requirements. It maintains open communication and engages with regulatory authorities to ensure timely adherence, avoiding any potential adverse impacts on its business operations.

HUMAN RESOURCES

At Elin Electronics, human resource initiatives play a pivotal role in organizational progress, and focused on talent development, fostering a supportive work culture, and ensuring employee satisfaction. Such efforts are aimed at enhancing productivity, promoting innovation, and sustaining a motivated workforce crucial for the Company's growth and competitiveness in the industry. The Company's total employee base stood at 2,679 as of 31st March, 2024.

INTERNAL CONTROL SYSTEM

Elin Electronics maintains a robust internal control system tailored to its operational scale and adheres strictly to local statutory requirements. Through this system, the Company ensures orderly business conduct, safeguards assets, detects and prevents fraud and errors, ensures the accuracy of accounting records, and facilitates timely preparation of

reliable financial information. Furthermore, internal and statutory audits confirm the effectiveness of these checks and control systems. The effectiveness of these systems is assessed periodically through internal and statutory audits.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report may contain 'forward-looking statements' as per relevant laws and regulations, outlining the Company's objectives, projections, estimates, expectations, or predictions. However, actual results might significantly differ from those expressed or implied. The Company's operations could be influenced by crucial factors such as demand-supply conditions, alterations in Government and international regulations, tax regimes, economic developments in India and globally, and other considerations like litigation and labour relations.

Board's Report

Dear Members,

The Board of Directors are pleased to present the 42nd Annual Report of ELIN ELECTRONICS LIMITED (“your Company”) together with the Audited Financial Statements (Standalone as well as Consolidated) of the Company, for the financial year ended 31st March, 2024.

FINANCIAL PERFORMANCE SUMMARY

The summarized financial performance highlight is as mentioned below:

(Figures in ₹ in Million)

Particulars	Standalone		Consolidated	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Revenue from Operations	8352.00	8670.64	10417.17	10,754.28
Other Income	90.20	21.83	91.07	22.67
Total Income	8442.20	8692.47	10508.24	10,776.95
Profit before Finance Cost, Depreciation, Impairment and Amortization expenses	445.74	569.43	496.48	673.75
Less: Finance Cost	77.32	128.08	81.16	130.62
Profit before Depreciation, Impairment and Amortization expenses	368.42	441.34	415.32	543.13
Depreciation, Impairment & Amortization expenses	186.50	164.51	218.49	186.10
Profit before Taxes	181.92	276.84	196.83	357.03
Less: Provision for Current Tax	54.95	60.89	56.86	79.91
Provision for Deferred Tax	(0.42)	4.40	1.23	9.09
Profit for the year	127.39	211.55	138.74	268.03
Transfer to General Reserve	-	50.00	-	50.00
EPS (Basic and diluted) (amount in ₹)	2.57	4.77	2.90	6.29

PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

During the year under review, the Standalone revenue from operations decreased by 3.67% to ₹ 8,352.00 Million as against ₹ 8,670.64 Million in the previous financial year. The net profit after tax decreased by 39.78% to ₹ 127.39 Million as against ₹ 211.55 Million in the previous financial year.

The consolidated revenue from operations decreased by 3.13% to ₹ 10,417.17 Million as against ₹ 10,754.28 Million in the previous financial year. The consolidated net profit after tax decreased by 48.24% to ₹ 138.74 Million as against ₹ 268.03 Million in the previous financial year.

DIVIDEND

Your Company is incurring capital expenditure on an ongoing basis for upgradation of its existing facilities and development of new products. The internal accruals are ploughed back to partly fund the ongoing investment projects. Under the circumstances, the Directors do not recommend any dividend for the financial year under review and do not propose to carry any amount to reserves.

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy, in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) is annexed as Annexure – I to this Report and is also available on the website of the Company at <https://www.elinindia.com/pdf/investors/policies/Dividend-Distribution-Policy.pdf>

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business during the 2023-24.

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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and the date of this report.

Board's Report (Contd.)

DISCLOSURE ABOUT UTILIZATION OF INITIAL PUBLIC OFFER (IPO) PROCEEDS

Your Company discloses to the Audit Committee the uses/application of proceeds/funds raised from the initial public offer (IPO) as a part of the quarterly review of Financial Results. Your Company has appointed Axis Bank Limited as the Monitoring Agency in terms of Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2018 ("ICDR Regulations"), as amended from time to time, to monitor the utilization of IPO proceeds. Your Company has obtained monitoring reports from the Monitoring Agency on a quarterly basis confirming no deviation or variation in the utilization of IPO proceeds from the objects stated in the Prospectus dated December 23, 2022. Your Company has submitted the statement(s) and Monitoring Agency Report as required under Regulation 32 of the Listing Regulations to both the Stock Exchanges where the equity shares of your Company are listed, namely the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The details of the proceeds of the Fresh Issue are set forth below:

Particulars	Amount
Gross Proceeds of the Fresh Issue	₹ 1,750.00 Million
(Less) Net of provisional IPO Expenses	₹ 103.87 Million
Net Proceeds	₹ 1,646.13 Million

The utilization of funds raised through IPO have been mentioned hereunder:

Mode	Object	Amount Allocated (in Million)	Amount Utilized (in Million) as on 31 st March, 2024
IPO	Repayment/prepayment, in full or part, of certain borrowings availed by our Company	880.00	880.00
	Funding capital expenditure towards upgrading and expanding our existing facilities at Ghaziabad, Uttar Pradesh, and Verna, Goa	375.89	138.97
	General corporate purposes	390.24	395.63*
	Net Proceeds	1,646.13	1414.60

* Adjusted based on the final share of Company's share in issue expenses.

CHANGE IN SHARE CAPITAL

Details of changes in paid-up equity share capital during the year under review, are as under:

Paid-up Equity Share Capital	₹ in Million
At the beginning of the year, i.e. as on 1 st April, 2023	248.30
At the End of the year, i.e. as on 31 st March, 2024	248.30

EMPLOYEE STOCK OPTION SCHEME

Elin Electronics Employee Stock option Plan 2024 ('ESOP 2024'/' the Plan') was approved by the Board of Directors on May 30, 2024 subject to the approval of shareholders at the ensuing annual General Meeting of the Company for issue and allotment of options exercisable into not more than 5,00,000 equity shares to eligible employees of the Company.

ESOP 2024 is administered by the Nomination and Remuneration Committee (Compensation committee) of the Board of Directors of the Company.

During the financial year under review, no options were granted, vested or exercised and hence, the disclosure as required under Section 62(1)(b) of the Companies Act, 2013 ('The Act') read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is not required to be furnished.

QUALITY CERTIFICATION

The Company continued to have ISO 9001:2008 certification for 'Quality Management System Standard' and ISO 14001:2015 certification for 'Environment Management System Standard' and TS: 16949: 2016 quality certifications for 'automotive parts'.

RISK MANAGEMENT

Risk Management is integral to your Company's strategy and for the achievement of our long-term goals. Our success as an organization depends on our ability to identify and leverage the opportunities while managing the risks.

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 ensuring that the risks are brought within acceptable limits. There is no major risk which may threaten the existence of the Company.

Board's Report (Contd.)

Our approach to risk management is designed to provide reasonable assurance that our assets are safeguarded, the risks are being assessed and mitigated and all information that may be required to be disclosed is reported to Company's Senior Management, the Audit Committee, the Risk Management Committee and the Board.

Your Company has framed and implemented a Risk Management Policy for the assessment and minimization of risk, which may be accessed at <https://www.elinindia.com/pdf/investors/policies/Risk-Management-Policy.pdf>

INTERNAL FINANCIAL CONTROLS

According to Section 134(5)(e) of the Companies Act, 2013 ("the Act") the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safe guarding 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. The Act also mandate the need for an effective Internal Financial Control system in the Company which should be adequate and shall operate effectively. Rule 8(5)(viii) of Companies(Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report.

The Company has adequate Internal Financial Control System over financial reporting ensuring that all transactions are authorized, recorded, and reported correctly in a timely manner to provide reliable financial information and to comply with applicable accounting standards which commensurate with the size and volume of business of the Company.

The Company believes that these systems provide reasonable assurance that the Company's internal financial controls are adequate and are operating effectively as intended. During the year under review, such controls were tested by the Internal Auditors of the Company and no material weaknesses or significant deficiencies in the design or operations were observed and reported by the Internal Auditors.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

'Elin Appliances Private Limited' is the wholly owned subsidiary of your Company. There has been no change in the nature of business of this subsidiary. During the year

under review 'Elin Appliances Private Limited' was also the material subsidiary of the Company, as per the Listing Regulations.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and in accordance with applicable accounting standards, a statement containing the salient features of financial statements of your Company's subsidiaries in Form No. AOC-1 is annexed to consolidated Financial Statements. In accordance with the provisions of Section 136 of the Act and the amendments thereto, and the Listing Regulations, the audited Financial Statements, including the consolidated financial statements and related information of the Company and financial statements of your Company's subsidiaries have been placed on the website of the Company viz. <https://www.elinindia.com/investors/#Financial-Reports>. Your Company has formulated a Policy for determining Material Subsidiaries. The said policy is available on the website of the Company at <https://www.elinindia.com/pdf/investors/policies/Policy-on-Material-Subsidiaries.pdf>. No Company has become/ceased to be an Associate or Joint Venture during the 2023-24.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE

Your Company embeds sound Corporate Governance practices and constantly strives to adopt emerging best practices. It has always been the Company's endeavor to excel through better Corporate Governance and fair and transparent practices. A Report on Corporate Governance forms part of this Report. M/s. Akshat Garg & Associates, Company Secretaries, (Firm Registration number. 10655), the Secretarial Auditor of the Company vide their certificate dated 30th May, 2024, have confirmed that the Company is and has been compliant with the conditions stipulated in the chapter IV of the Listing Regulations. The said certificate is also forms part of Corporate Governance Report.

BUSINESS RESPONSIBILITY REPORT (BRR)

The Business Responsibility Report as stipulated under Regulation 34(2)(f) of the Listing Regulations is not applicable during 2023-2024.

Board's Report (Contd.)

STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS

The audited financial statements of the Company are drawn up, both on standalone and consolidated basis, for the financial year ended 31st March, 2024, in accordance with the requirements of the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) notified under Section 133 of the Act, read with relevant Rules and other accounting principles. The Consolidated Financial Statement has been prepared based on the financial statements received from subsidiary as approved by their respective Board of Directors.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans/advances, guarantees and investments under Section 186 of the Companies Act, 2013 are given in the notes forming part of the Financial Statements.

PUBLIC DEPOSITS

The Company has not accepted any public deposits from the public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors:

- In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Kamal Sethia (DIN: 00081116), Managing Director and Mr. Mangi Lall Sethia (DIN: 00081367), Chairman and Whole-time Director of the Company, are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee ("NRC") has recommended their re-appointment for approval of shareholders in the ensuing Annual General Meeting.

The Company has received declarations from Mr. Kamal Singh Baid, Dr. Shantilal Sarnot, Mr. Ashis Chandra Guha and Ms. Shilpa Baid, the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. They have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. Mr. Kamal Singh Baid and Ms. Shilpa

Baid, the Independent Directors of the Company have passed an online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs in February, 2022. Mr. Ashis Chandra Guha, Independent Director of the company has also passed an online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs in October, 2023.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any.

The brief profile, pursuant to Secretarial Standards-2 and Regulation 36(3) of Listing Regulations, of the Directors eligible for appointment/ re-appointment forms part of the Notice of Annual General Meeting.

Key Managerial Personnel:

As on the date of this report, the following are Key Managerial Personnel ("KMPs") of your Company as per Sections 2(51) and 203 of the Act:

- Mr. Mangilall Sethia- Chairman & Whole-Time Director
- Mr. Kamal Sethia – Managing Director
- Mr. Sanjeev Sethia – Whole-Time Director
- Mr. Sumit Sethia – Whole-Time Director
- Mr. Kishore Sethia – Director (Operations*)
*not on the Board of the Company
- Mr. Raj Karan Chhajjer – Chief Financial Officer
- Mr. Praveen Tandon- Chief Executive Officer(Appointed w.e.f. April 17, 2024)
- Ms. Lata Rani Pawa – Company Secretary and Compliance Officer

BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees, in the manner as enumerated in the Nomination and Remuneration Policy, in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The evaluation exercise covered various aspects of the Board's functioning such as composition of the Board & Committee(s), their functioning & effectiveness, contribution of all the Directors and the decision making process by the Board.

Board's Report (Contd.)

Your Directors express their satisfaction with the evaluation process and inform that the performance of the Board as a whole, its Committees and its member individually were adjudged satisfactory.

MEETINGS OF INDEPENDENT DIRECTORS

As per Schedule IV of the Act, Secretarial Standards-1 ('SS- 1') read with the Guidance Note on SS-1 and Listing Regulations the meeting of the Independent Directors was held on 13th February, 2024.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of the Listing Regulations, the Company has put in place a familiarization program for the Independent Directors to familiarize them with their roles, rights and responsibility as Directors, working of the Company, nature of the industry in which the Company operates, business model etc.

The details of the familiarization program are explained in the Corporate Governance Report. The same is also available on the website of the Company at www.elinindia.com.

DIRECTOR RESPONSIBILITY STATEMENT

Pursuant to the provisions under Section 134(5) of the Act, with respect to Directors' Responsibility Statement, the Directors of the Company confirm that:

- (a) in the preparation of the annual accounts for the year ended 31st March, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profits of the Company for the year ended on that date;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) 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; and

- (f) 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.

MEETINGS OF THE BOARD

During the Financial year Six meetings of the Board were held on 13th April, 2023, 30th May, 2023, 10th August, 2023, 8th November, 2023, 13th February, 2024, and 19th March, 2024. One Resolution by Circulation has been passed by Board of Directors on 28th February, 2024.

The necessary quorum was present at all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by the Act. A detailed update on the Board & its Committees, composition thereof, number of meetings held during 2023-24 and attendance of the Directors at such meeting is provided in the "Corporate Governance Report".

REMUNERATION OF DIRECTORS AND EMPLOYEES

Disclosure comprising particulars with respect to the remuneration of directors and employees and other details, as required to be disclosed in terms of the provisions of Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as "**Annexure - II**" to this Report.

BOARD COMMITTEES

The Board has duly constituted following Committees, which are in line with the provisions of applicable laws:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Corporate Social Responsibility Committee
- D. Stakeholder's Relationship Committee
- E. Risk Management Committee

A detailed update on the attendance and terms of reference of aforesaid Committees are provided in the "Corporate Governance Report".

AUDIT COMMITTEE

The Audit Committee comprises of Mr. Kamal Singh Baid, Independent Director as Chairman, Ms. Shilpa Baid, Independent Woman Director as member, Mr. Shanti Lal Sarnot, Independent Director as member* and Mr. Kamal Sethia, Managing Director as its member. The Committee met 6 (Six) times during the year under review on 13th April,

Board's Report (Contd.)

2023, 30th May, 2023, 10th August, 2023, 8th November, 2023, 13th February, 2024 and 19th March, 2024.

* Appointed as member w.e.f. 13th February, 2024

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) comprises of Mr. Kamal Singh Baid, Independent Director as Chairman, Ms. Shilpa Baid, Independent Woman Director as member and Dr. Shanti Lal Sarnot, Independent Director as member. Three meetings of the Nomination and Remuneration Committee (NRC) were held during the year dated on 13th April, 2023, 10th August, 2023 and 01st March, 2024. The Nomination & Remuneration Policy of the Company is in place and attached as Annexure-III and also uploaded on the website of the Company at the following link: <https://www.elinindia.com/pdf/investors/policies/Nomination-Remuneration-Policy.pdf>

STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of Mr. Kamal Singh Baid, Independent Director as Chairman, Ms. Shilpa Baid, Independent Woman Director as member and Mr. Kamal Sethia, Managing Director as member. Two meetings of the Stakeholder's Relationship Committee (SRC) were held during the year dated on 30th September, 2023 and 13th February, 2024.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprises of Mr. Kamal Sethia, Managing Director as Chairman, Mr. Sanjeev Sethia, Whole-Time Director as Member and Mr. Kamal Singh Baid, Independent Director as Member. Two meetings of the Risk Management Committee (RMC) were held during the year dated on 13th February, 2024 and 29th March, 2024.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) committee comprises of Mr. Kamal Sethia, Managing Director as Chairman, Mr. Sanjeev Sethia, Whole – time Director as member and Mr. Kamal Singh Baid, Independent Director as member. Four meetings of the CSR committee were held during the year on 30th May, 2023, 10th August, 2023, 09th November, 2023 and 13th February, 2024.

The CSR activities and programs undertaken by your Company are in accordance with the provisions of Section 135 of the Act and rules made thereunder. The CSR initiatives of the Company during the year under review focused on promoting education, promoting health care including preventive health care and ensuring

environmental sustainability. The annual report on CSR activities is annexed and forms part of this report as **Annexure-IV**. The CSR policy is available on the website of your Company at <https://www.elinindia.com/pdf/investors/csr/CSR-Policy.pdf>

Further, the Chief Financial Officer of your Company has certified that the CSR spends of your Company for the 2023-24 have been utilized for the purpose and in the manner approved by the Board of Directors of the Company.

STATUTORY AUDITORS & AUDITOR'S REPORT

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/ E300005), the Statutory Auditors of the Company had been appointed as the Statutory Auditors for a first term of 4 consecutive years from the conclusion of 41st Annual General Meeting (AGM) held on 30th September, 2023 till conclusion of 45th AGM of the Company to be held in the year 2027 at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

Further, the Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 read with rules made thereunder.

The Auditors' Report read along with Notes to Accounts is self-explanatory and therefore does not call for any further comments.

The Auditor's Reports on the Standalone and the Consolidated Financial Statements for the financial year ended 31st March, 2024 does not contain any qualification, reservation or adverse remark requiring any explanations/ comments by the Board of Directors. No fraud has been reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

COST AUDITORS

The Board has re-appointed M/s Bhavna Jaiswal & Associates, Cost Accountants (Firm Registration number 100608), as Cost Auditor for conducting the audit of cost records of the Company for the financial year 2024-25. A proposal for ratification of remuneration of the Cost Auditors for the financial year 2024-25 is placed before the shareholders at the ensuing AGM of the Company.

No fraud has been reported by the Cost Auditors under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

Board's Report (Contd.)

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

In terms of the provisions of Section 204 of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014 and Regulation 24A of the Listing Regulations, your Company has appointed M/s Akshat Garg & Associates, Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year 2023-24.

Further, in compliance of Regulation 24A of the Listing Regulations, Company's unlisted material subsidiary also undergo Secretarial Audit and the Secretarial Audit Reports of the Company and its unlisted material subsidiary thereto in the prescribed Form No. MR-3 is attached as **Annexure – V and VI** forming part of this Report. The Secretarial Audit Report of your Company and its unlisted material subsidiary does not contain any qualification, reservation, adverse remark or disclaimer.

No fraud has been reported by the Secretarial Auditors under Section 143 (12) of the Companies Act, 2013 and the rules made thereunder.

INTERNAL AUDITORS

M/ s. Sunder Sharma & Company, Chartered Accountants, have tendered resignation from the post of Internal Auditors of the Company w.e.f. 27th May, 2024.

The Board at its meeting held on May 30, 2024 upon the recommendation of Audit committee have approved appointment of M/ s. Oswal Sunil & Company, Chartered Accountants (Firm Registration No: 016520N) as Internal Auditors of the Company for the Financial Year 2024-25.

DISCLOSURES IN RELATION TO THE COMPANIES (SHARE CAPITAL AND DEBENTURE) RULES, 2014

- (a) the Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) has been furnished;
- (b) the Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) has been furnished; and
- (c) the Company does not have any ESOP scheme for its employees/Directors during the 2023-24 and hence no information as per provisions of Rule 12(9) has been furnished.

ANNUAL RETURN

In accordance with Sections 92 and 134 of the Act read with MCA circular dated 28th August, 2020, and notification dated 5th March, 2021 the requirement to annex an extract of the annual return with this Annual report in form MGT-9 is dispensed with and is no longer required.

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at website of the Company at www.elinindia.com.

KEY FINANCIAL RATIOS

The Key financial ratios for the financial year ended 31st March, 2024 forms part of the Management Discussion and Analysis Report.

INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company was not required to transfer any funds to Investor Education and Protection Funds (IEPF).

TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on dealing with Related Party Transactions. An omnibus approval from the Audit Committee is obtained for the related party transactions which are foreseen and repetitive in nature. 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. During the year under review, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on related party transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. The Company's Policy on Related Party Transactions is available on the website of the Company at <https://www.elinindia.com/pdf/investors/policies/Related-Party-Transaction-Policy-ELIN-Electronics.pdf>. The Company in terms of Regulation 23 of the Listing Regulations submits on the date of publication of its standalone and consolidated financial results for the half year disclosures of related party transactions on a consolidated basis, in the specified format to the stock exchanges.

Board's Report (Contd.)

VIGIL MECHANISM

The Company has laid down Whistle Blower Policy covering Vigil Mechanism with protective clauses for the Whistle Blowers. The Whistle Blower Policy is made available on the website of the Company at www.elinindia.com.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There were no significant material orders passed by the Regulators/ Courts/ Tribunals during the 2023-24 which would impact the going concern status of the Company and its future operations.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rules thereto. The Company has undertaken 3 workshops or awareness programs against sexual harassment of women at the workplace during the 2023-24.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance of all applicable Secretarial Standards as specified by the Institute of Company Secretaries of India.

OTHER DISCLOSURES

- (a) No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable;
- (b) The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable;
- (c) There was no revision of financial statements and Board's Report of the Company during the year under review;
- (d) The disclosure pertaining to explanation for any deviation or variation in connection with certain terms

of a public issue, rights issue, preferential issue, etc. is not applicable to the Company.

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

The information required under Section 134 (3) (m) of the Act read with Rule 8(3) of Companies (Accounts) Rules, 2014, is as under:

A. CONSERVATION OF ENERGY:

Your Company has always considered energy and natural resources conservation as a focus area. Your Company ensures strict compliance with all the statutory requirements and has taken several sustainable steps voluntarily to contribute towards better environment like use of natural lighting and natural ventilation.

- (i) The steps taken/impact on conservation of energy –
 - (a) Conventional Fans being replaced with BLDC Fan to reduce energy consumption
 - (b) Daylight sensors installed on Outdoor Lights /Motion sensors installation in Washroom areas.
- (ii) The steps taken by the Company for utilising Alternate Sources of Energy- The Company entered into a Power Purchase Agreement with Sunsure Solarpark Ten Private Limited to Purchase 4 MWp Power from Solar Plant.
- (iii) The capital investment on energy conservation equipment: Nil

B. TECHNOLOGY ABSORPTION:

- (i) the efforts made towards technology absorption - Nil
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution - - Self-reliance in new products, product development, improved production process for better productivity, import substitution and cost reduction attempts are made for sourcing of material and components for cost effectiveness. The input cost has been reduced and in some cases the quality has improved.
- (iii) Imported Technology (Imported During The Last 3 Years) – Nil

Board's Report (Contd.)

- (iv) Expenditure on Research and Development- During the financial year, expenditure on research and development including capital expenditure was ₹ 83.70 Million as against ₹ 70.06 Million in the previous year.

C. FOREIGN EXCHANGE EARNING & OUTGO:

During the financial year, the foreign exchange earned in terms of actual inflows was ₹ 37.32 Million as against ₹ 26.68 Million in the previous year and foreign exchange outgo in terms of actual outflows was ₹ 701.74 Million as against ₹ 779.82 Million in the previous year.

ACKNOWLEDGEMENT

The Directors thank the Company's customers, vendors, bankers and investors for their continuous support. The

Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

Your Directors also wish to place on record their deep appreciation for the services rendered by staff and workers of the Company at all levels and for dedication to their work and loyalty.

On behalf of the Board of Directors

(Mangilall Sethia)

Chairman

DIN: 00081367

Place: New Delhi

Date: 30th May, 2024

DIVIDEND DISTRIBUTION POLICY

Introduction and Background

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is required to formulate and disclose its Dividend Distribution Policy. Accordingly, the Board of Directors of the Company ('the Board') has approved this Dividend Distribution Policy. The objective of this Policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company. The Board of Directors shall recommend dividend in compliance with this Policy, the provisions of the Companies Act, 2013 and Rules made thereunder and other applicable legal provisions.

The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

Interim and Final Dividend

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the stock exchanges, as required by Listing Regulations.

Dividend Payout

The Board of the Company has approved this Dividend Distribution Policy to comply with these requirements. The circumstances under which Members may expect dividend are based on the following factors:

Current year profits and outlook in line with internal and external environment.

Operating cash flows

Funding growth needs including working capital, capital expenditure, repayment of debt, etc. Dividend payout trends

Tax implications if any, on distribution of dividends

Providing for unforeseen events and contingencies with financial implications.

Any other relevant factor that the Board may deem fit to consider

Notwithstanding the above, the shareholders of the Company may not expect Dividend under the following circumstances:

- a. Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital
- b. Significantly higher working capital requirements adversely impacting free cash flow
- c. Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital
- d. In the event of inadequacy of profit or whenever the Company has incurred losses.

In case the Board proposes not to distribute the profit; the fact shall be disclosed in the Annual Report of the Company. In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments ("Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard shall automatically apply to this policy.

Disclosure

This policy (as amended from time to time) will be available on the Company's website and in the annual report.

Disclaimer

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

- I. Disclosure pursuant to the provisions of Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:
- A. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the 2023-24 are as under:

Sl. No.	Name of the Director / KMP and Designation	% increase in Remuneration in the 2023-24	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. MANGI LALL SETHIA (Chairman & Whole-time Director)	NIL	15
2	Mr. KAMAL SETHIA (Managing Director)	NIL	35
3	Mr. SANJEEV SETHIA- (Whole-time Director)	NIL	35
4	Mr. SUMIT SETHIA (Whole-time Director)	NIL	39
5	Mr. KISHORE SETHIA (Director Operations)*	NIL	Not Applicable
6	Mr. RAJ KARAN CHHAJER (Chief Financial Officer)	3.69%	Not Applicable
7	Ms. LATA RANI PAWA (Company Secretary)	12.50%	Not Applicable

Note: Since Independent Directors received no remuneration, except sitting fee for attending Board/ Committee meetings, the required details are not applicable.

*Not on the Board of the Company, Key Managerial Personnel under Section 2(51) of the Companies Act, 2013.

- B. Percentage increase in the median remuneration of employees in the Financial Year:
The average percentage increase in the median remuneration of employees in the Financial Year is 9.80%.
- C. Number of permanent employees on the rolls of the Company:
There were 2,276 permanent employees on the rolls of Company as on 31st March, 2024.
- D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
Average percentage increase made in the salaries of employees other than managerial personnel in the last financial year i.e. 2023-24 was 9.48% whereas the increase in the managerial remuneration for the same financial year was Nil. There are no exceptional circumstances for increase in managerial remuneration as there was no increase in Managerial Remuneration. It is based on the Remuneration Policy of the Company and also not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013.
- E. Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration is as per the remuneration policy of the Company.

II. STATEMENT PURSUANT TO RULE 5(2) AND RULE 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014, FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2024.

a) Details of top ten employees in terms of remuneration drawn is as under

S. No.	Name of Employee	Designation	Remuneration (₹ in Million) per annum	Qualification & Experience	Age	Date of Commencement of Employment	Last Employment held
1	Mr. SUMIT SETHIA	WHOLETEIME DIRECTOR	9.32	B.com (Pass)- 26 years	51	Since 1998	Not Applicable
2	Mr. KAMAL SETHIA	MANAGING DIRECTOR	8.48	B.com (Pass)- 46 years	67	Since 1992	Partner-L.K.M. Electronic Corporation

Board's Report (Contd.)

S. No.	Name of Employee	Designation	Remuneration (₹ in Million) per annum	Qualification & Experience	Age	Date of Commencement of Employment	Last Employment held
3	Mr. SANJEEV SETHIA	WHOLETIME DIRECTOR	8.48	BSEE- 30 Years	55	Since 1994	Not Applicable
4	Mr. KISHORE SETHIA	(DIRECTOR OPERATIONS)*	8.47	B.com (Hons)- 44 years	65	Since 1992	Partner-Sumitomo Electronics Corporation
5	Mr. AKASH SETHIA	EXECUTIVE (INVESTOR RELATION)	8.40	C.A. from ICAI- 16 years	37	1 st January, 2023	Macquarie India
6	Mr. MANGI LALL SETHIA	CHAIRMAN & WHOLETIME DIRECTOR	3.64	M.A.- 63 years	87	Since Incorporation- 26 th March, 1982	Director- Kanchan Commercial Company Private Limited
7	Mr. AVINASH KARWA	AGM-FINANCE	3.51	CA-24 years	45	1 st August, 2013	Since 2000 Associated with Elin Electronics Limited- Accountant.
8	Mr. RAJ KARAN CHHAJER	CHIEF FINANCIAL OFFICER	2.53	B.com (Pass)- 49 years	69	26 th March, 1982	Electronic Industries of India
9	Mr. NEERAJ KUMAR MODI	GENERAL MANAGER	2.43	C.A. from ICAI- 24 years	51	1 st September, 2021	Capital Infraprojects Private Limited- CFO
10	Mr. SANJAY TYAGI	GENERAL MANAGER	2.33	Btech-2010- Industrial Engg-34 years	53	16 th November, 2018	Omex Auto Limited- DGM

*Not on the Board of the Company, Key Managerial Personnel (KMP) under Section 2(51) of the Companies Act, 2013.

Notes:

1. Mr. Mangilall Sethia, Mr. Kamal Sethia and Mr. Kishore Sethia are relatives and Mr. Kamal Sethia and Mr. Kishore Sethia along with their spouse hold two percent or more of the equity share of the Company.
2. Except as mentioned in point no.1 neither of the employee is related to any Director, nor hold by themselves or along with their spouse and dependent children, two percent or more of the equity share of the Company.
3. There was no employee who was employed throughout the financial year and in receipt of remuneration at a rate which, in the aggregate, ₹ 1.02 Crores or more.
4. There was no employee who was employed for a part of the financial year and in receipt of remuneration at a rate which, in the aggregate, was not less than ₹ 8.50 Lakhs per month.
5. No employee draw remuneration at a rate in excess of that drawn by the Whole-time Director in the 2023-24.
6. All appointments are contractual in nature and terminate by notice on either side.

NOMINATION & REMUNERATION POLICY

(Amended by Board of Directors in their meeting held on 30th May, 2024)

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every Listed Company is required to constitute a Nomination and Remuneration Committee with at least three or more non-executive Directors, out of which not less than one half shall be independent directors. The Company already has a Nomination and Remuneration Committee with three Non-Executive (Independent Directors).

The Nomination and Remuneration Committee and Nomination and Remuneration Policy are in compliance with the provisions of Section 178 of the Companies Act, 2013 and rules framed thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same applies to the Board of Directors, Key Managerial Personnel and the Senior Management Personnel of the Company.

"Key Managerial Personnel (KMP) means and comprise of-

- Managing Director &
- Chief Executive Officer;
- Whole-time Director;
- Company Secretary;
- Chief Financial Officer;
- Such other Officer as may be prescribed.

"**Senior Management**" shall mean officers/personnel of the listed entity who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the chief executive officer/managing Director/whole time Director/manager (including chief executive officer/manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer and including functional heads.

Role and Objective of Committee:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down in the policy.
3. Recommend to the Board the appointment and removal of Directors and Senior Management.
4. Carry out evaluation of every Director's performance.

5. Formulate criteria for evaluation of Independent Directors and the Board.
6. to recommend to the Board on Remuneration in whatever form payable to the Directors, Key Managerial Personnel and Senior Management.
7. To devise a policy on Board diversity.
8. to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee and review its implementation and compliance.
9. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run Company successfully.
10. To ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
11. To develop a Succession Plan for the Board and to review it regularly.
12. Administering, monitoring and formulating detailed terms and conditions of the Company's ESOP plan;
13. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended;
14. To perform such other functions as may be referred by the Board or be necessary in view of the Listing Regulations, 2015 and the provisions of the Companies Act, 2013 and Rules made thereunder.

Membership

- a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent. However, the Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee, but shall not chair such Committee.
- b) Either two (2) members or one third of the members of the Committee whichever is greater, with atleast one independent director shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.

Board's Report (Contd.)

- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

Chairman

1. Chairman of the Committee shall be an Independent Director.
2. Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
3. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
4. Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

Frequency of Meetings

The meetings of the Committee shall be held at such regular intervals as may be required. However, the Committee shall meet atleast once in a year.

Committee Members' Interests:

1. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Secretary

The Company Secretary of the Company shall act as the Secretary of the Committee.

Voting

1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall, for all purposes, be deemed to be a decision of the Committee.
2. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

Appointment of Directors/KMP/Senior Management Officials:

While recommending a candidate for appointment, the Committee shall have regard to:

- Assessing the appointee against a range of criteria which includes but not limited to qualifications, skills,

experience, background and other qualities required to operate successfully;

- The experience and knowledge that the appointee brings to the role of KMP/Senior Officials, which, in turn, will enhance the skill sets and experience of the Board as a whole;
- The nature of existing positions held by the appointee including directorship and such other relationship and the impact of the same on the Company's welfare.

Letter of Appointment:

Each Independent Director is required to sign the duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment.

Remuneration of Directors, Key Managerial Personnel and Senior Management:

The salaries of Directors, Key Management Personnel and other senior officials shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

1. **Fixed Pay:** The Key Management Personnel (KMP) and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee in accordance with the applicable provisions of the Companies Act, 2013, read with the rules made thereunder & SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable provisions, as amended from time to time. The salary paid need to be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities to be usually reviewed on an annual basis.
2. **Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 & applicable provisions of SEBI (LODR) Regulations, 2015, as amended from time to time.
3. **Provision for excess remuneration:** If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the approval of members by way of Special Resolution, where required, he shall refund such

Board's Report (Contd.)

sums to the Company, within two years or such lesser period as may be allowed by the Company, and until such sum is refunded, hold it in trust for the Company.

4. **Increment:** Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board, which should be within the slabs approved by the Shareholders in the case of Managerial Person.
5. **Stock Options:** Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company. Only such employees of the Company and its subsidiaries as approved by the Nomination and Remuneration Committee will be granted ESOPs.
6. The Executive Directors, except for a promoter director, will also be eligible for ESOPs as per the ESOP scheme in force from time to time. Grants under the ESOP scheme shall be approved by the NRC.

Remuneration to Non-Executive/Independent Director:

1. Remuneration/Commission: The remuneration/commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force.
2. Sitting Fees: The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee(s).

thereof, provided that the amount of such fees per meeting of the Board or Committee shall not exceed the maximum amount as provided in the Companies Act, 2013, as amended from time to time.

Evaluation/Assessment of Directors/KMP's/Senior Management of the Company

The evaluation/assessment of the Directors, KMP' and the senior management of the Company is to be conducted on an annual basis.

The following criteria may assist in determining how effective the performances of the Directors, KMP' and the senior management have been:

- Contributing to clearly defined corporate objectives & plans
- Obtain adequate, relevant & timely information from external sources
- Review of strategic and operational plans, objectives and budgets

- Regular monitoring of corporate results against projections
- Identify, monitor & take steps for mitigation of significant corporate risks
- Assess policies, structures & procedures
- Review management's succession plan
- Effective meetings
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles & monitoring activities of committees.

Additionally, for the evaluation/assessment of the performances of Managing Director(s)/Whole Time Director(s) of the Company, following criteria may also be considered:

- Leadership abilities
- Communication of expectations & concerns clearly with subordinates
- Direct, monitor & evaluate KMPs, senior officials Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/ Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors shall evaluate/assess each of the Independent Directors on the aforesaid parameters which shall also include the following:

- (a) Performance of the Directors; and
- (b) Fulfilment of the independence criteria as specified in LODR Regulations, 2015, as amended from time to time and their independence from the management. Only the Independent Director being evaluated shall not participate in the said evaluation discussion.

Manner for effective evaluation of performance of Board, its Committees and individual directors.

- a) The Performance Evaluation of Directors, the Board as a whole, its Committees be carried out on Annual Basis.
- b) The Performance Evaluation be carried out in the manner as enumerated in the Nomination and Remuneration Policy of the Company.

Board's Report (Contd.)

- c) Nomination and Remuneration Committee should carry out the performance evaluation of all Directors, Key Managerial Personnel's and Senior Officers of the Company and report to the Board of Directors for further evaluation.
- d) The Board should carry out the Performance Evaluation of Independent Directors, Board as a whole and its Committees and individual Directors.
- e) Only the Director being evaluated will not participate in evaluation discussions.

- f) Review of implementation and monitoring of the above manner of Performance Evaluation be done as and when required.

Deviations from this policy:

Deviations from elements of this policy, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY FOR THE 2023-24

1. Brief outline on CSR Policy of the Company:

The CSR policy focuses on addressing critical, social, environmental, and economic needs of the under privileged section of the Society of India. Company will also undertake other need-based initiatives in compliance with Schedule VII of the Act.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Kamal Sethia	Managing Director-Chairman	4	3
2.	Mr. Sanjeev Sethia	Whole-Time Director-Member	4	4
3.	Mr. Kamal Singh Baid	Independent Director-Member	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. Weblink are as under:

- Composition of CSR committee: https://www.elinindia.com/pdf/investors/Disclosure_under_Regulation46_of_SEBI/Composition_of_various_Committees_of_Board_of_Directors.pdf
- CSR Policy:
<https://www.elinindia.com/pdf/investors/csr/CSR-Policy.pdf>
- CSR projects approved by the board:
https://www.elinindia.com/pdf/investors/csr/Annual_Action_plan_of_CSR_for_the_FY_2023_2024.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Nil			

Average net profit of the Company as per section 135(5): ₹. **33,45,20,072**

- (a) Two percent of average net profit of the Company as per section 135(5): ₹ **66,90,401**
- (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **Nil**
- (c) Amount required to be set off for the financial year, if any: **Nil**
- (d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ **66,90,401**

Board's Report (Contd.)

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
6.69 Million	Not Applicable				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. 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 ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. 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		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.(a)	Oswal Homeopathy Oshdalaya	Eradicating hunger, poverty and malnutrition, promoting health care (including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation) and making available safe drinking water.	No	Rajasthan	Sujangarh, District- Churu	7.00 Lakhs	No	Shri Oswal Yuwak Sammelan, Rajasthan	CSR00017615
(b)	Govt. Hospital, Sujangarh, Churu	health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation) and making available safe drinking water.	No	Rajasthan	Sujangarh, District- Churu	0.26 Lakhs	Yes	Not Applicable	
2 (a)	Dhyan Foundation- Goa	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 4[including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	No	Goa	South, Goa	2.00 Lakhs	No	Rotary Club	CSR00014044

Board's Report (Contd.)

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
3(a)	Prem sukh bhiwnsariya govt girls sr. sec. school, Sujangarh Rajasthan	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Rajasthan	Sujangarh, District-Churu	20.82 Lakhs	Yes	Not Applicable	
(b)	Composite Vidyalaya, Bamheta, Ghaziabad.		Yes	U.P.	Ghaziabad	7.67 Lakhs			
(c)	Prathamik vidyalaya, mehrauli-2 nagar kshetra, Ghaziabad.		Yes	U.P.		6.00 Lakhs			
(d)	Girl's Inter College Mehroli, Ghaziabad.		Yes	U.P.		15.00 Lakhs			
(e)	Prathamik Vidyalaya, Lal Kuan Nagar Kshetra, Ghaziabad		Yes	U.P.		8.85 Lakhs			
	TOTAL					67.59 Lakhs			

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **NA**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ **67.59 Lakhs**

(g) Excess amount for set off, if any.

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	66.90 Lakhs
(ii)	Total amount spent for the Financial Year	67.59 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.68 Lakhs
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	No excess carried to next year

Board's Report (Contd.)

- 9 (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
Not Applicable								

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 (asset-wise details). – Not Applicable
- Date of creation or acquisition of the capital asset(s).
 - Amount of CSR spent for creation or acquisition of capital asset.
 - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
 - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).
Not Applicable.

Date: 30th May, 2024
Place: New Delhi

Sd/-
Kamal Sethia
(Managing Director & Chairman CSR Committee)
DIN:00081116

Sd/-
Sanjeev Sethia
(Whole-Time Director)
DIN:00354700

AKSHAT GARG & ASSOCIATES
Secretarial, Legal & Corporate Advisory
Peer Reviewed Firm

Office No. 365, 3rd Floor, Rishabh Cloud9 Towers, Sector 1, Vaishali, Ghaziabad, U.P. - 201010
 Email ID: acs@acsadvisors.in; Phone: 0120-4573083; +91-9350546594
 UDYAM Registration No.: UDYAM-UP-29-0050415

FORM NO. MR-3 SECRETARIAL
AUDIT REPORT

for the Financial Year ended 31st March, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9
 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
 The Members,
Elin Electronics Limited
CIN: L29304DL1982PLC428372
 4771, BHARAT RAM ROAD, 23, DARYAGANJ,
 New Delhi- 110002, Delhi

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Elin Electronics 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and 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 **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made 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 (Not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (b) The Securities and Exchange Board of India (Depositories and participants) Regulations, 2018;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
 - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - (h) (The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

Board's Report (Contd.)

(Not applicable to the Company during the Audit Period);

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (k) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period);

(vi) Other laws as may be applicable to the company,

I have also examined compliance with the applicable provisions of the following:

- (i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited (NSE) & BSE Limited.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were following changes in the composition of the Board of Directors of the Company during the year 2023-24:

In the Annual General Meeting held on 30th September, 2023, Special resolution has been passed by Shareholders for continuation of Directorship of Dr. Shantilal Sarnot (DIN:01899198) as a Non-Executive Independent Director, not liable to retire by rotation from the day he attains the age of 75 years viz. 21st November, 1948 till the expiry of his current term which will be expired on 29th September, 2026.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda

were sent at least seven days in advance, and 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.

Majority decision is carried through and based on the information given by the Company, I report there were no instances of any dissenting members' views being captured or recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were following specific events/actions having a major bearing on the Company' affairs in pursuance of the laws, rules, regulations, guidelines etc., referred to above:

1. Declared a Final Dividend of ₹ 1 per Equity Share of the face value of ₹ 5 each, for the Financial Year 2022-23.
2. M/s. Oswal Sunil & Company, Chartered Accountants (Firm Registration Number: 016520N), vide its resignation letter dated 9th August, 2023 have resigned from the position of Statutory Auditors, effect from closing of business hours of the Board meeting held on August 10, 2023.
3. In the Annual General Meeting held on 30th September, 2023, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005), appointed as Statutory Auditors of the Company to fill the casual vacancy caused with effect from 10th August, 2023 (from the conclusion of Board Meeting) and to hold office till conclusion of 41st Annual General Meeting held for FY ended 31st March, 2023, by the resignation of M/s. Oswal Sunil & Company, Chartered Accountants, (Firm Registration Number: 016520N).
4. In the Annual General Meeting held on 30th September, 2023, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005), appointed as Statutory Auditors of the Company to hold office for a period of four years, from the conclusion of the 41st Annual General Meeting till the conclusion of the 45th Annual General Meeting of the Company to be held in the year 2027.

Board's Report (Contd.)

5. The Company having by special resolution passed at AGM held on 30th August, 2023 altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of West Bengal to the Delhi outside the jurisdiction of existing RoC Kolkata to the ROC Delhi and such alteration having been confirmed by an order of Regional Director bearing the date 13/02/2024. The

Board approved the new address of the Registered Office w.e.f. 27th February, 2024 as under:

4771, Bharat Ram Road, 23, Daryaganj, New Delhi- 110002

For Akshat Garg & Associates
(Company Secretaries)

(CS Akshat Garg)
Prop.

C. P. No. 10655

M. No. F9161

Date: 30th May, 2024

Place: Ghaziabad

UDIN: F009161F000497363

AKSHAT GARG & ASSOCIATES
Secretarial, Legal & Corporate Advisory
Peer Reviewed Firm

Office No. 365, 3rd Floor, Rishabh Cloud9 Towers, Sector 1, Vaishali, Ghaziabad, U.P. - 201010
Email ID: acs@acsadvisors.in; Phone: 0120-4573083; +91-9350546594
UDYAM Registration No.: UDYAM-UP-29-0050415

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

for the Financial Year ended 31st March, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of
the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Elin Appliances Private Limited
CIN: U29300DL2002PTC425099
4771, Bharat Ram Road, 23, Daryaganj,
New Delhi- 110002

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Elin Appliances Private 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and 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 **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the Audit Period);**
- (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 (Not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the Audit Period);
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the Audit Period);
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);

Board's Report (Contd.)

- (g) (The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Not applicable to the Company during the Audit Period);
- (j) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period);

(vi) Other laws as may be applicable to the Company,

I have also examined compliance with the applicable provisions of the following:

Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS- 2) issued by The Institute of Company Secretaries of India;

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were following changes in the composition of the Board of Directors of the Company during the year 2023-24:

- (a) Mr. Vinay Kumar Sethia (DIN:00082184), Whole Time Director of the Company, liable to retire by rotation designated as Chairman with effect from 30th May, 2023.
- (b) The changes in the composition of board of directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and 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.

Majority decision is carried through and based on the information given by the company, I report there were

no instances of any dissenting members' views being captured or recorded as part of the minutes.

The Company having by special resolution passed at AGM held on 30th August, 2022 altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Himachal Pradesh to the Delhi outside the jurisdiction of existing RoC Himachal Pradesh to the ROC Delhi and such alteration having been confirmed by an order of Regional Director bearing the date 31/10/2023. The Board approved the new address of the Registered Office w.e.f. 1st December, 2023 as under:

4771, Bharat Ram Road, 23, Daryaganj, New Delhi- 110002

M/s. Oswal Sunil & Company, Chartered Accountants (Firm Registration Number: 016520N), vide its resignation letter dated 9th August, 2023 have resigned from the position of Statutory Auditors, effect from closing of business hours of the Board meeting held on August 10, 2023.

In the Annual General Meeting held on 30th September, 2023, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005), appointed as Statutory Auditors of the Company to fill the casual vacancy caused with effect from 10th August, 2023 (from the conclusion of Board Meeting) and to hold office till conclusion of 21st Annual General Meeting held for FY ended 31st March, 2023, by the resignation of M/s. Oswal Sunil & Company, Chartered Accountants, (Firm Registration Number: 016520N) .

In the Annual General Meeting held on 30th September, 2023, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005), appointed as Statutory Auditors of the Company to hold office for a period of four years, from the conclusion of the 21st Annual General Meeting till the conclusion of the 25th Annual General Meeting of the Company to be held in the year 2027.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Akshat Garg & Associates
(Company Secretaries)**
(CS Akshat Garg)

Prop.

C. P. No. 10655

M. No. F9161

UDIN: F009161F000497803

Date: 30th May, 2024

Place: Ghaziabad

Report On Corporate Governance

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

ELIN ELECTRONICS LIMITED, recognizes the importance of Good Corporate Governance, which is the tool of building strong and everlasting beneficial relationship with customers, suppliers, bankers and more importantly with the investors. Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation & integrity.

2. BOARD OF DIRECTORS

The Board is in conformity with Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Companies Act, 2013 ('the Act'). The strength of the Board of Directors as on 31st March, 2024 was eight comprising the Executive - Chairman, three Executive Directors including one Managing Director and other four are Independent Directors. In the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of management. The profile of Directors can be found at website of the Company at www.elinindia.com.

The Composition and categories of the Directors on the Board, their attendance at Board meetings and at the last Annual General Meeting ('AGM') held during the FY 2023-24:

None of the Directors of the Company is a Member of more than 10 (Ten) Committees or a Chairman/ Chairperson of more than 5 (Five) committees across all the Listed Companies in which he/she is a Director as per Regulation 26(1) of the Listing Regulations. Further as mandated by Regulation 17A of Listing Regulations, no Director of the Company serves as Director/Independent Director in more than seven listed companies and in case he/she is serving as a Whole-Time Director/ Managing Director in any listed company, does not hold the position of Independent Director in more than three listed companies. Further, all Directors have informed about their Directorships and Committee memberships/ chairmanships including any changes in their positions. Relevant details of the Board of Directors as on 31st March, 2024 are given below:

Name	Category	No. of Board Meetings held and attended during the 2023-24			Whether attended last AGM held on 30.09.2023
		Hold	Entitled	Attended	
Mr. Mangi Lal Sethia	Chairman, Promoter Executive	6	6	6	Yes
Mr. Kamal Sethia	Managing Director – Promoter Executive	6	6	4	Yes
Mr. Sanjeev Sethia	Whole time Director - Promoter Executive	6	6	6	Yes
Mr. Sumit Sethia	Whole time Director - Promoter Executive	6	6	3	Yes
Dr. Shanti Lal Sarnot	Independent Director	6	6	5	Yes
Mr. Kamal Singh Baid	Independent Director	6	6	6	Yes
Ms. Shilpa Baid	Independent Woman Director	6	6	5	Yes
Mr. Ashis Chandra Guha	Independent Director	6	6	5	Yes

Details of Board Meeting

Six meetings of the Board of Directors were held during the year on 13th April, 2023, 30th May, 2023, 10th August, 2023, 8th November, 2023, 13th February, 2024 and 19th March, 2024. One Resolution by Circulation has been passed by Board of Directors on 28th February, 2024.

Report On Corporate Governance (Contd.)

The relation of Directors inter se with each other, names of other Indian listed entities where Directors of the Company hold directorship, its category and the number of directorships and committee Chairmanships/ Memberships held by them in other public limited companies as on 31st March, 2024, is given below:

Name of Director	Relation with other Directors	Directorship held in other Listed entities along with Category*	No. of Directorships in other Indian Public Limited Companies (As on 31 st March, 2024)	Membership and Chairmanship of the Committees of the Board of other Companies**		No. of Equity Shares held (As on 31 st March, 2024)
				Chairman/ Chairperson	Member	
Mr. Mangi Lall Sethia	Father of Mr. Kamal Sethia	-	1	-	-	Nil
Mr. Kamal Sethia	Son of Mr. Mangilall Sethia	-	-	-	-	15,68,991
Mr. Sanjeev Sethia	-	-	-	-	-	9,41,500
Mr. Sumit Sethia	-	-	-	-	-	5,94,734
Dr. Shanti Lal Sarnot	-	-	-	-	-	Nil
Mr. Kamal Singh Baid	-	-	-	-	-	Nil
Ms. Shilpa Baid	-	-	-	-	-	Nil
Mr. Ashis Chandra Guha	-	-	-	-	-	Nil

* No Director of your Company holds any Directorship in Listed Entity.

**For the purpose of considering the limit of Committee membership and chairmanship of a Director, membership and Chairmanship of Audit Committee and Stakeholders Relationship Committee of public companies have been considered.

List of Core Skills/Expertise/Competencies of Directors

A chart or matrix setting out the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively along with the names of directors possessing the same are as under :-

S. no	Name of Directors	Skills/Expertise/Competence					
		Industry Knowledge & Business Experience	Finance & Accounting	Board service, governance and Leadership	Production & Quality Assurance and Sales and marketing	Strategy Development and Implementation	Information Technology & Policy Development
1	Mr. Kamal Sethia	✓	✓	✓	✓	✓	✓
2	Mr. Mangi Lall Sethia	✓	✓	✓	✓	✓	✓
3	Mr. Sanjeev Sethia	✓	✓	✓	✓	✓	✓
4	Mr. Sumit Sethia	✓	✓	✓	✓	✓	✓
5	Dr. Shanti Lal Sarnot	✓	✓	✓	✓	✓	✓
6	Mr. Kamal Singh Baid	✓	✓	✓	✓	✓	✓
7	Ms. Shilpa Baid	✓	✓	✓	✓		✓
8	Mr. Ashis Chandra Guha	✓	✓	✓	✓	✓	✓

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during the financial year ended 31st March, 2024 except for payment of sitting fees, and reimbursement of expenses, if any, incurred in the discharge of their duties.

Report On Corporate Governance (Contd.)

Independent Directors

The Company has received declarations from the Independent Directors that they meet the criteria of Independence laid down under the Act and the Listing Regulations. The Independent Directors have also confirmed that they have registered themselves in the databank of persons offering to become Independent Directors. All Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. The terms and conditions of their appointment are disclosed on the Company's website: www.elinindia.com.

Separate Meeting of Independent Directors

Schedule IV of the Act, Listing Regulations and Secretarial Standard – 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of Non-Independent Directors.

The Independent Directors Meeting was held on 13th February, 2024. The Independent Directors, inter alia, discussed and reviewed performance of Non-Independent Directors, the Board as a whole, Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programme for Independent Directors

The Company's familiarization programmes for its Independent Directors includes an overview of the business model of the Company and its material subsidiary, the socio-economic environment in which the Company operates, the operational and financial performance of the Company and the significant developments taking place on a continuous basis. The Company also familiarize the independent directors with their roles, rights and responsibilities in the Company.

The details of familiarization programmes imparted to Independent Directors are also disclosed on the Company's website at: https://www.elinindia.com/pdf/investors/management/Familiarization_programme_impacted_to_Independent_Directors_for_FY_2023_2024.pdf

Performance Evaluation Criteria of Independent Directors

Pursuant to Regulation 17 of the Listing Regulations, evaluation of Independent Directors was carried out by the entire Board. Only the Independent Director being evaluated did not participate in the said evaluation discussion. All Independent Directors satisfies the independence criteria and are independent of management.

Directors and Officers Insurance

The Company has undertaken Directors and Officers insurance ('D and O insurance') for all its Directors, including independent directors, for a quantum and risks as determined by the Board of Directors of the Company.

3. COMPOSITION OF THE COMMITTEES

The composition of the Committees is in accordance with the provisions of the Listing Regulations and the Act, details of which are as follows:

Audit Committee	Risk Management Committee
1. Mr. Kamal Singh Baid - Chairman	1. Mr. Kamal Sethia - Chairman
2. Ms. Shilpa Baid - Member	2. Mr. Sanjeev Sethia- Member
3. Mr. Kamal Sethia - Member	3. Mr. Kamal Singh Baid- Member
4. Dr. Shanti Lal Sarnot – Member**	
** Appointed as a member w.e.f.13.02.2024	
Nomination and Remuneration Committee	Corporate Social Responsibility Committee
1. Mr. Kamal Singh Baid - Chairman	1. Mr. Kamal Sethia - Chairman
2. Ms. Shilpa Baid - Member	2. Mr. Kamal Singh Baid - Member
3. Dr. Shanti Lal Sarnot - Member	3. Mr. Sanjeev Sethia - Member

Report On Corporate Governance (Contd.)

Stakeholders' Relationship Committee

1. Mr. Kamal Singh Baid - Chairman
2. Ms. Shilpa Baid - Member
3. Mr. Kamal Sethia - Member

Ms. Lata Rani Pawa, Company Secretary and Compliance Officer, is the secretary of all the Committees constituted by the Board.

Meetings of Committees held during the year and Directors' attendance:

Committees of the Company	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee	Corporate Social Responsibility Committee
Meetings Held	6	3	2	2	4
Director's Attendance					
Mr. Mangi Lal Sethia	*	*	*	*	*
Mr. Kamal Sethia	4/6	*	2/2	2/2	3/4
Mr. Sanjeev Sethia	*	*	*	2/2	4/4
Mr. Sumit Sethia	*	*	*	*	*
Dr. Shanti Lal Sarnot	2/6**	3/3	*	*	*
Mr. Kamal Singh Baid	6/6	3/3	2/2	2/2	4/4
Ms. Shilpa Baid	5/6	3/3	2/2	*	*
Mr. Ashis Chandra Guha	*	*	*	*	*

*Not a Member of the Committee.

** Appointed as a member w.e.f.13.02.2024.

DETAILS OF COMMITTEES**Audit Committee****Terms of Reference for the Audit Committee:**

The scope and function of the Audit committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 read with schedule II (Part C) of the Listing Regulations and its terms of reference are as follows:

(i) Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference
- (2) to seek information from any employee
- (3) to obtain outside legal or other professional advice; and
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

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

- (1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

Report On Corporate Governance (Contd.)

- (4) formulation of a policy on related party transactions, which shall include materiality of related party transactions;
- (5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (6) examining and 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; and
 - g. Modified opinion(s) in the draft audit report.
- (7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed:

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
- (11) scrutiny of inter-corporate loans and investments;
- (12) valuation of undertakings or assets of the Company, wherever it is necessary;
- (13) evaluation of internal financial controls and risk management systems;
- (14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (15) 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;
- (16) discussion with internal auditors of any significant findings and follow up thereon;
- (17) 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;
- (18) 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;

Report On Corporate Governance (Contd.)

- (19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (20) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (21) reviewing the functioning of the whistle blower mechanism;
- (22) monitoring the end use of funds raised through public offers and related matters;
- (23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (24) approval of appointment of chief financial officer (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;
- (25) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
- (26) carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- (27) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders and
- (28) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

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

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses;
- e) The appointment, removal and terms of remuneration of the chief internal auditor;
- f) Statement of deviations in terms of the SEBI Listing Regulations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
- g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

Details of Audit Committee Meeting

The Committee met 6 (Six) times during the year under review on 13th April, 2023, 30th May, 2023, 10th August, 2023, 08th November, 2023, 13th February, 2024 and 19th March, 2024. The requisite quorum was present at all the meetings of the Audit Committee.

Vigil Mechanism/Whistle-Blower Policy

The Company has adopted a Whistle Blower Policy (Vigil Mechanism) which has been posted on the Company's website and can be viewed on <https://www.elinindia.com/pdf/investors/policies/Whistle-Blower-Policy.pdf> under the head "Investor". No personnel has been denied access to the audit committee.

Report On Corporate Governance (Contd.)

Nomination and Remuneration Committee

Terms of Reference

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 read with schedule II (Part D) of the Listing Regulations and its terms of reference are as follows:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "Board" or "Board of Directors") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy").

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
- (2) Formulation of criteria for evaluation of independent directors and the Board;
 - (3) Devising a policy on Board diversity;
 - (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 their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
 - (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;
- (7) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.
- (8) Analysing, monitoring and reviewing various human resource and compensation matters;
- (9) Deciding 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;
- (10) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (11) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
- (12) Administering, monitoring and formulating detailed terms and conditions of the employee stock option scheme, if any, of the Company;
- (13) Reviewing and approving the Company's compensation strategy from time to time in the context of the current Indian market in accordance with applicable laws;
- (14) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;
- (15) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable; and

Report On Corporate Governance (Contd.)

- (16) Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.
- (17) 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:
- use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.

Details of Nomination and Remuneration Committee Meeting

The Committee met 3 (Three) times during the year under review on 13th April, 2023, 10th August, 2023 and 01st March, 2024 as against the statutory requirement of one meeting and the attendance is given in this report. The requisite quorum was present at all the meetings of the Committee.

Stakeholders' Relationship Committee**Terms of Reference**

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, and Regulation 20 read with schedule II (Part D) of the Listing Regulations and its terms of reference are as follows:

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

- Resolving the grievances of the security holders of the Company 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;

- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re- materialization of shares, split and issue of duplicate/ consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

Details of Stakeholders' Relationship Committee Meeting

The Committee met 2 (Two) times during the year under review on 30th September, 2023 and 13th February, 2024 as against the statutory requirement of one meeting and the attendance is given in this report. The requisite quorum was present at all the meetings of the Committee. The Company has received 8 complaints during the Financial Year 2023-2024. All complaints has been resolved to the satisfaction of shareholders and no pending complaint as on 31st March, 2024.

Risk Management Committee**Terms of Reference**

The terms of reference of the Risk Management Committee are as follows:

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

Report On Corporate Governance (Contd.)

- (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environmental social and governance 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 co-ordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per framework laid down by the board of directors;
 4. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
 5. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 6. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken
 7. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee

Details of Risk Management Committee Meeting

The Committee met 2 (Two) times during the year under review on 13th February, 2024 and 29th March, 2024 and the attendance is given in this report. The requisite quorum was present at all the meetings of the Committee.

Corporate Social Responsibility Committee

Terms of Reference

1. Formulating and recommending to the Board the CSR Policy which shall indicate activities to be undertaken in line with Section 135 read with Schedule VII of the Act and the Rules framed there under;

2. Recommending to the Board the CSR expenditure to be incurred;
3. Recommending to the Board, modification to CSR Policy as and when required;
4. Regularly monitoring the implementation of the CSR Policy and reporting to the Board; and
5. Formulating an annual action plan in pursuance of its CSR policy, which shall include the items as mentioned in Rule 5(2) of the Companies (CSR Policy) Rules, 2014 as amended.

Details of Corporate Social Responsibility Committee Meeting

The Committee met 4 (Four) times during the year under review on 30th May, 2023, 10th August, 2023, 09th November, 2023 and 13th February, 2024 and the requisite quorum was present at all the meetings. The details of attendance of Committee members are given in this Report.

4 REMUNERATION OF DIRECTORS

Remuneration Policy

In terms of Section 178 of the Act and Regulation 19 read with schedule II (Part D) of the Listing Regulations, the Board of your Company, on recommendation of the Nomination and Remuneration Committee ("NRC"), adopted Remuneration policy for Directors, Key Managerial Personnel and other Employees which sets out criteria for the remuneration for Directors, Key Managerial Personal ("KMP") and other employees so as to attract, retain and reward talent who will contribute to our long-term success and thereby build value for the shareholders.

Remuneration of Directors:

- Executive Directors shall be eligible for remuneration as may be approved by the Board on recommendation of the NRC Committee. The remuneration to be paid to the Managing Director/ Whole-time Director shall be in accordance with the provisions of the Act and the rules made thereunder.
- Non-Executive/Independent Directors will be eligible for sitting fees for attending meetings of Board or Committee as fixed by the Board on the recommendation of the NRC Committee in accordance with the provisions of the Act, and the rules made thereunder. The criteria of making payment to Non-Executive/Independent Directors is uploaded on the website of the

Report On Corporate Governance (Contd.)

Company at the following weblink: https://www.elinindia.com/pdf/investors/Disclosure_under_Regulation46_of_SEBI/Criteria_for_making_payment.pdf The Remuneration Policy of the Company has been uploaded on the Company's website and can be accessed at <https://www.elinindia.com/pdf/investors/policies/Nomination-Remuneration-Policy.pdf>

Remuneration/Sitting fee paid to the Directors for the financial year ended 31st March, 2024.

(₹ in Million)

Sr . No.	Name of the Director	Salary	Benefits	Commission	Bonuses	Stock Option & Pension	Sitting Fees Paid	Total
1	Mr. Mangi Lall Sethia	3.60	0.04	-	-	-	-	3.64
2	Mr. Kamal Sethia	8.40	0.08	-	-	-	-	8.48
3	Mr. Sanjeev Sethia	8.40	0.08	-	-	-	-	8.48
4	Mr. Sumit Sethia	8.40	0.92	-	-	-	-	9.32
5	Dr. Shanti Lal Sarnot	-	-	-	-	-	0.17	0.17
6	Mr. Kamal Singh Baid	-	-	-	-	-	0.32	0.32
7	Ms. Shilpa Baid	-	-	-	-	-	0.22	0.22
8	Mr. Ashis Chandra Guha	-	-	-	-	-	0.12	0.12

During the year, there was no pecuniary relationship or transaction between the Company and any of its Non-Executive Directors apart from sitting fees and re-imbursement of expenses. The Company has not granted any stock options to any of its Non- Executive Directors.

The appointment of Executive Directors, Key Managerial Personnel and other employees is by virtue of their employment with the Company, therefore, their terms of employment vis-a-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies at the relevant point in time.

5. GENERAL BODY MEETING

Previous 3 (Three) Annual General Meetings

Year	Time	Date	Location	Special Resolutions Passed
2022-2023	10:30 A.M.	30.09.2023	AGM held through Video conferencing (VC) and/or other audiovisual means (OAVM), without physical presence of members. The venue of the AGM was deemed to be the Registered Office of the Company at -143, Cotton Street, Kolkata-700007	Yes
2021-2022	10:00 A.M.	01.08.2022	Diamond Heritage", Room No. N 505, 16, Strand Road, Kolkata - 700 001	Yes
2020-2021	10:00 A.M.	30.09.2021	Registered Office-143, Cotton Street, Kolkata-700007	Yes

No Extra-ordinary General Meeting took place during the 2023-24. No Special Resolution has been passed last year through Postal Ballot.

No special resolution is proposed to be conducted through postal ballot as on the date of this report. Resume and other information regarding the director seeking re-appointment/ appointment as required under Regulation 36 (3) of Listing Regulations, 2015 has been given in the Notice of the Annual General Meeting annexed to this Annual Report.

6. MEANS OF COMMUNICATION

- **Financial Results:** Your Company's quarterly financial results are submitted to the stock exchanges within forty-five days from the end of the quarter and the audited annual results are submitted within sixty days from the end of the financial year as required under the Listing Regulations which are also available on the website of your Company at https://www.elinindia.com/investors/#Disclosure_under_Regulation_46_of_SEBI_LODR_Regulations_2015.

The results are usually published in (Financial Express) English newspaper having country-wide circulation and in (Pioneer) Hindi/ (Aarthik Lipi) Bengali newspaper where the registered office of the Company is situated. These

Report On Corporate Governance (Contd.)

results are displayed on the website of the Company (www.elinindia.com) along with other news releases and presentations, if any, made to institutional investors or to analysts among others.

- **Compliance reports, corporate announcements, material information and updates:** Your Company disseminates the requisite compliance reports and corporate announcements/updates to the stock exchanges through their designated portal.
- **Website:** Your Company's website <https://www.elinindia.com/investors/> contains a separate section for investors. Information on various topics such as the Board of Directors, Committees of the Board, Annual Reports, various policies, intimation to stock exchanges etc. are available on the website.

7. GENERAL SHAREHOLDER INFORMATION

- **Corporate Identification Number:** L29304DL1982PLC428372
- **Registered Office Address (w.e.f. February 27, 2024):** 4771, Bharat Ram Road, 23, Daryaganj, Delhi-110002.
- **Annual General Meeting through Video Conferencing (VC) / Other Audio-Visual Means Facility (OAVM)**
Date: 30th September, 2024
Time: 10:30 a.m. (IST)
Venue: Meeting through VC/OAVM
 [Deemed Venue for Meeting: Registered Office of the Company at 4771, Bharat Ram Road, 23, Daryaganj, Delhi-110002.]
- **Financial Year** The financial year covers the period from 1st April, 2023 to 31st March, 2024.
- **Transfer of unclaimed/unpaid amount to the Investor Education and Protection Fund**
 No unpaid/unclaimed dividend was required to be transferred to the Investor Education and Provident Fund.
- **Listing details**

National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra - Kurla Complex Bandra (E), Mumbai - 400 051 Symbol: ELIN	BSE Limited Corporate Relationship Department, 2 nd Floor, New Trading Wing, Rotunda Building, P.J. Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 543725
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- **Market Price Data for the period – 01st April, 2023 to 31st March, 2024:**

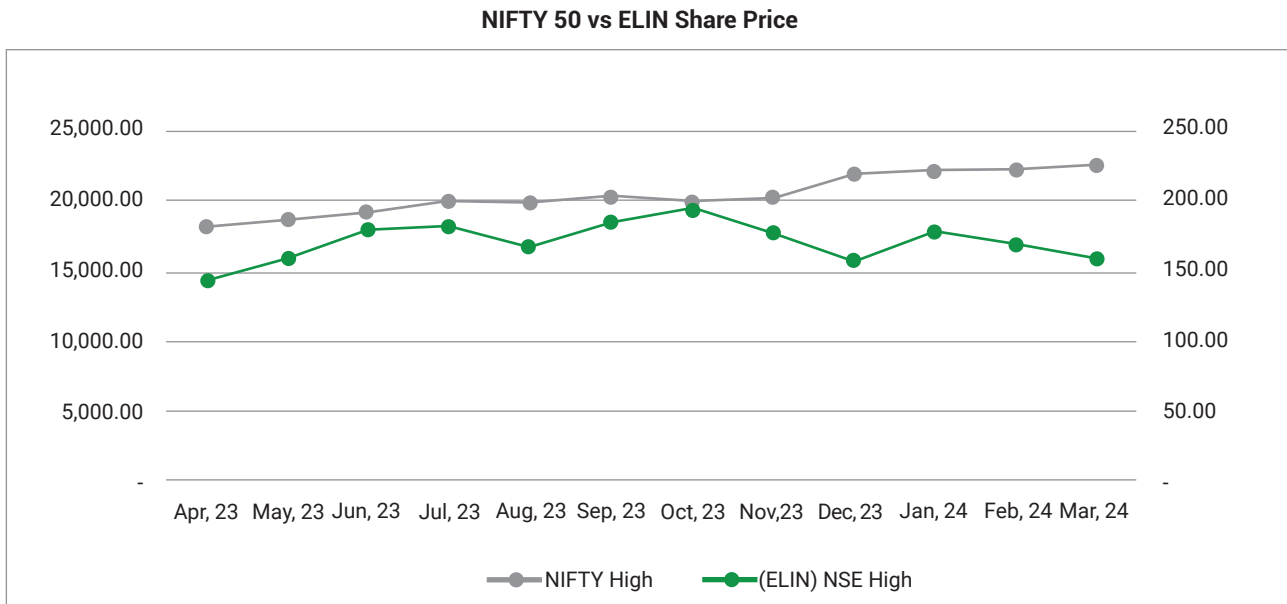
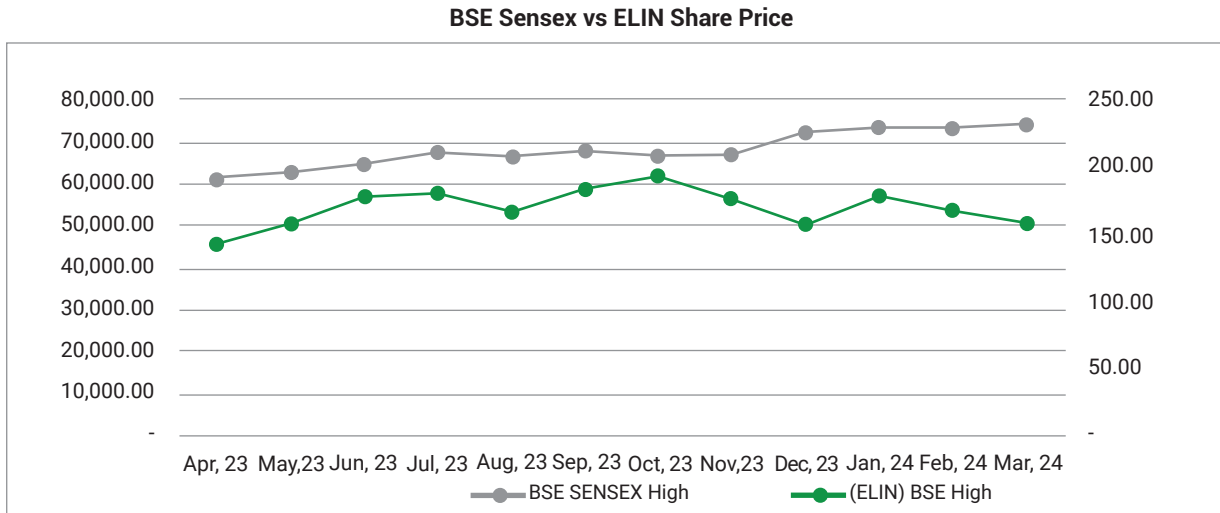
Share price performance in comparison on BSE Limited (BSE) & National Stock Exchange of India Limited (NSE):

Month	NSE		BSE		BSE SENSEX		NIFTY	
	High	Low	High	Low	High	Low	High	Low
April, 2023	142.60	121.50	142.50	120.85	61,209.46	58,793.08	18,089.15	17,312.75
May, 2023	159.00	128.60	159.00	127.55	63,036.12	61,002.17	18,662.45	18,042.40
June, 2023	179.00	133.60	179.05	133.70	64,768.58	62,359.14	19,201.70	18,464.55
July, 2023	181.50	144.60	181.55	144.65	67,619.17	64,836.16	19,991.85	19,234.40
August, 2023	167.75	141.20	166.90	141.00	66,658.12	64,723.63	19,795.60	19,223.65
September, 2023	184.95	157.95	184.55	158.00	67,927.23	64,818.37	20,222.45	19,255.70
October, 2023	194.35	154.20	194.20	154.10	66,592.16	63,092.98	19,849.75	18,837.85
November, 2023	176.60	149.95	176.75	150.00	67,069.89	63,550.46	20,158.70	18,973.70
December, 2023	156.80	143.95	156.50	144.15	72,484.34	67,149.07	21,801.45	20,183.70
January, 2024	178.50	147.50	178.00	146.50	73,427.59	70,001.60	22,124.15	21,137.20
February, 2024	168.85	144.50	169.00	145.00	73,413.93	70,809.84	22,297.50	21,530.20
March, 2024	158.95	129.30	158.75	130.00	74,245.17	71,674.42	22,526.60	21,710.20

(Source: The above information is compiled from the data available on the websites of BSE and NSE)

Report On Corporate Governance (Contd.)

Share Price Performance in comparison to broad-based indices – BSE Sensex and Nifty 50



Report On Corporate Governance (Contd.)

- **Suspension from trading:**

No Securities of your Company were suspended from trading during the FY 2023-24.

- **Registrar to an issue and share transfer agent: KFin Technologies Limited**

Selenium, Tower B, Plot No- 31 and 32, Financial District, Nanakramguda,
Serilingampally, Hyderabad, Rangareddi 500 032 Telangana, India.

Tel. No. : +91 40 6716 2222

Fax : +91 40 2343 1551

Email : einward.ris@kfintech.com

Website : www.kfintech.com

Toll Free No. : 18003454001

- **Share Transfer System:** Pursuant to Regulation 40 of Listing Regulations, the requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with respective Depositories i.e., National Securities Depository Limited and Central Depository Services (India) Limited. However, this restriction shall not be applicable to the request received for effecting transmission or transposition of physical shares. Shareholders are accordingly advised to avail the facility of dematerialization holding shares in physical form by getting in touch with any Depository Participant having registration with SEBI.

The requests received by the Company/ RTA for dematerialization/rematerialization are disposed off expeditiously.

Your Company obtained, a certificate from a Company Secretary in Practice, as required under Regulation 40(9) of the Listing Regulations and were duly filed with the Stock Exchanges.

- **Dematerialization of shares:**

As mandated by the Securities and Exchange Board of India ("SEBI"), securities of the Company can be transferred/ traded only in dematerialized form. As on 31st March, 2024, 4,96,58,218 (99.99)% of shareholding was held in Dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited.

MODE OF HOLDING	NO. OF SHARES	% OF SHARE CAPITAL
Physical Segment (A)	1002	0.00%
Demat Segment		
NSDL (B)	4,03,68,244	81.29 %
CDSL (C)	92,89,974	18.71%
TOTAL (A) + (B)+ (C)	4,96,59,220	100%

- **Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date & likely impact on equity as on 31st March, 2024.**

Your Company does not have any outstanding GDR /ADR / Warrants or any convertible instruments as on 31st March, 2024.

- **Distribution of Shareholding by Size as on 31st March, 2024:**

Category (shares)	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-5000	77,435	97.702382	75,52,354	15.208362
5001- 10000	958	1.208741	14,23,475	2.866487
10001- 20000	434	0.547593	12,25,655	2.468132
20001- 30000	153	0.193045	7,72,601	1.555806
30001- 40000	48	0.060563	3,38,425	0.681495

Report On Corporate Governance (Contd.)

Category (shares)	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
40001- 50000	58	0.073181	5,47,694	1.102905
50001- 100000	67	0.084536	10,02,079	2.017911
100001& Above	103	0.129959	3,67,96,937	74.098902
Total	79,256	100	4,96,59,220	100

Shareholding Pattern as on 31st March, 2024:

Sr. No.	Category of Shareholder	Total number of shares (Fully paid up)	% of total no. of shares
(A)	Shareholder of Promoter and Promoter Group		
1	Indian	1,65,92,669	33.41
2	Foreign	-	-
	Total shareholding of Promoter & promoter group	1,65,92,669	33.41
(B)	Public Shareholding		
1	RESIDENT INDIVIDUALS	2,38,77,521	48.082755
2	MUTUAL FUNDS	49,23,391	9.914354
3	FOREIGN PORTFOLIO - CORP	1,47,721	0.297469
4	FOREIGN PORTFOLIO INVESTORS	24,312	0.048958
5	QUALIFIED INSTITUTIONAL BUYER	7,85,703	1.5822190
6	H U F	11,64,603	2.345190
7	NON RESIDENT INDIAN NON REPATRIABLE	10,05,639	2.025080
8	BODIES CORPORATES	7,56,119	1.5226155
9	ALTERNATIVE INVESTMENT FUND	2,02,440	0.407658
10	NON RESIDENT INDIANS	1,75,745	0.353902
11	CLEARING MEMBERS	446	0.000898
12	TRUSTS	2,911	0.005862
	Total public shareholding	3,30,66,551	66.59%
	Total (A) + (B)	4,96,59,220	100.00%

- Address for correspondence:**

ELIN ELECTRONICS LIMITED

Secretarial Department

4771 BHARAT ROAD, 23, DARYAGANJ,

NEW DELHI-110002

Phone: 011-43000400

E-mail: cs@elinindia.com

- Plant Locations:**

Considering the nature of business in which your Company is engaged it has three manufacturing plants:

S. No.	Name of Plant	Location	Address
1	Elin Electronics Limited	Ghaziabad	C-142, 143, 144, 144/1 & 144/2, INDUSTRIAL AREA, SITE NO.1, BULLANDSHAHR ROAD, GHAZIABAD (U.P.)-201 009
2	Elin Electronics Limited	Baddi	VILLAGE BELIKHOL, P.O.MANPURA, TEHSIL NALAGARH, DISTRICT SOLAN, H.P.-174101
3	Elin Electronics Limited	Goa	L-84, VERNA INDUSTRIAL AREA, ELECTRONIC CITY, VERNA, GOA-403722

Report On Corporate Governance (Contd.)

- **List of all Credit Ratings obtained by the Company along with revisions for the F.Y. 2023-24:**

CRISIL Ratings Limited had assigned the credit rating to your Company as follows:

Type of Credit rating	During the 2023-24	Post the 2023-24
Long Term Rating on Bank Facilities	CRISIL A/Stable	CRISIL A /Stable
Short Term Rating on Bank Facilities	CRISIL A1	CRISIL A1

8. OTHER DISCLOSURES / COMPLIANCES

Material Wholly-Owned Subsidiary Company – Monitoring Framework

The Company monitors performance of its Material Wholly-Owned Subsidiary Company (ELIN Appliances Private Limited), inter-alia, by the following means:

- The Audit Committee reviews financial statements of the wholly-owned subsidiary company, along with investments made by them, on a quarterly basis.
- The Board of Directors reviews the Board Meeting minutes and statements of all significant transactions and arrangements, if any, of subsidiary Company.
- Mr. Kamal Singh Baid, Independent Director of the Company is on the Board of Directors of unlisted material wholly -owned subsidiary.

The Company has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company at www.elinindia.com. The weblink for the same is <https://www.elinindia.com/pdf/investors/policies/Policy-on-Material-Subsidiaries.pdf>. The Company doesn't have a listed subsidiary.

Related Party Transactions & Conflict of Interest

All the contracts/ arrangements/ transactions entered by your Company during the financial year with related parties were in its ordinary course of business and on arms' length basis. The Company has made full disclosure of transactions with the related parties as set out in notes of Standalone Financial Statement, forming part of the Annual Report. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large. The Company has uploaded Related Party Transaction Policy at the following weblink:

<https://www.elinindia.com/pdf/investors/policies/Related-Party-Transaction-Policy-ELIN-Electronics.pdf>

The Company and its Wholly-owned subsidiary has not made any loan advances to any entity in which Directors are interested.

Details of non-compliance on matters relating to Capital Market Compliance with Listing Regulations

The Company has complied with the Rules, Regulations and Guidelines prescribed by Securities and Exchange Board of India (SEBI) and Stock Exchange as applicable to the Company, from time to time. There were no penalties or strictures imposed on the Company by the Stock Exchange(s), SEBI and/ or any other statutory authorities on matters relating to capital market.

Payment of Listing Fees

Annual Listing Fees for the FY 2023-24 has been paid by the Company to National Stock Exchange of India Limited and BSE Limited.

Website

All the information and disclosures required to be disseminated pursuant to the Listing Regulations and the Act are being posted at Company's website at <https://www.elinindia.com/investors/>.

Commodity Price risk or foreign exchange risk and hedging activities

Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year: Not applicable

Also, your Company imports certain raw materials from various sources, for various products of the Company. Your Company actively monitors the foreign exchange movements and takes appropriate action to reduce the risks associated with transactions in foreign currencies.

Proceeds from preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations

The Company has not raised funds through preferential allotment or qualified institutions placement during the FY 2023-24.

Report On Corporate Governance (Contd.)

Disclosures with respect to demat suspense account/ unclaimed suspense account

(a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	One Shareholder -2,000 shares in the unclaimed suspense account lying at the beginning of the year.
(b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	NIL.
(c) number of shareholders to whom shares were transferred from suspense account during the year;	Not Applicable
(d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	One Shareholder -2,000 shares in the unclaimed suspense account lying at the end of the year.
(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	Voting rights of one shareholder in respect of 2,000 Equity Shares shall remain frozen till the rightful owner of such shares claims the shares.

Code for prevention of Insider-Trading Practices

In accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has in place following policies/ codes which are revised from time to time according to applicable laws.

- Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders; and
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI).

Certification

The Chief Executive Officer and Chief Financial Officer of the Company have jointly furnished an annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations and is attached to this Report as **Annexure – A**.

Further, the Chief Executive Officer and Chief Financial Officer of the Company have also jointly certified and issued the quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

No Disqualification Certificate from Company Secretary in Practice

A certificate from P. P. AGARWAL & CO., Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or re-appointed as directors of companies by SEBI/ Ministry of Corporate Affairs or any such Statutory Authority as stipulated under Regulation 34(3) read with Schedule V of the Listing Regulations, is attached to this Report as **Annexure – B**.

Fees to Statutory Auditor and its affiliates

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to statutory auditors of the Company, during the year ended 31st March, 2024, is 59.63 Million.

Prevention of Sexual Harassment (POSH)

The Company prohibits and has zero tolerance towards any actions relating to workplace sexual harassment and it is dealt expeditiously and fairly through prompt and thorough investigation whenever any instance in this regard is reported, the details of which are as under:

Sr. No.	Particulars	Number of Complains
1	Filed during the financial year under review	Nil
2	Disposed of during the financial year under review	Not applicable
3	Pending as on end of the financial year	Not applicable

Report On Corporate Governance (Contd.)

Compliance with Mandatory Requirements and adoption of discretionary Requirements

Your Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations and the following discretionary requirement of the Listing Regulations are adopted:

1. Unmodified Audit Opinion

During the year under review, there is no audit qualification in your Company's standalone financial statements and consolidated financial statements. Your Company continues to adopt best practices to ensure regime of financial statements with unmodified audit qualifications.

2. Reporting of Internal Auditor

In accordance with the provisions of Section 138 of the Act, your Company has appointed Internal Auditor who directly reports to the Audit Committee of the Board of Directors.

Compliance Report on Corporate Governance

The Company submits on quarterly basis, a compliance report on corporate governance in the format prescribed by the Securities and Exchange Board of India, within the statutory period, from the close of the quarter with the Stock Exchanges. The said report is placed before the Board every quarter at its subsequent meeting, for its noting and comments/ observations/advice, if any.

Compliance with requirement of Corporate Governance Report

Your Company has complied with the requirements of Corporate Governance Report of Paras (2) to (10)

mentioned in Part 'C' of Schedule V of the Listing Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of the Listing Regulations in the respective places in this Report:

Compliance Certificate from practicing company secretaries regarding compliance of conditions of Corporate Governance

A certificate from **Akshat Garg & Associates**, Company Secretaries, regarding compliance of conditions of Corporate Governance forms part of this Annual Report as **Annexure - C**.

Disclosure in relation to recommendation made by any Committee which was not accepted by the Board

There was no instance during the 2023-24, where the Board of Directors of the Company has not accepted any recommendations, if any, of its Committees.

Code of Conduct

The Company is committed to compliance with all the applicable laws and regulations with the intent of high business ethics, honesty and integrity. The Company has adopted the 'Code of Conduct for Board and Senior Management' which is posted on the website of the Company at https://www.elinindia.com/pdf/investors/code_of_conduct/Code-of-Conduct-for-Directors-and-Senior-Management.pdf All Board members and senior management personnel have confirmed compliance to the Code of Conduct. A declaration to this effect, duly signed by the Chief Executive Officer of the Company is as under:

Report On Corporate Governance (Contd.)

DECLARATION - COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management personnel of the Company, affirmation that they have complied with the Code of Conduct framed for Directors and Senior Management Personnel in respect of the 2023-24.

Praveen Tandon
Chief Executive Officer

Place: New Delhi
Date: 30.05.2024

Various policies and the weblinks of respective policies adopted by your Company which are in accordance with the provisions of the Companies Act, 2013 and Listing Regulations:

Particulars	Website Links
Vigil Mechanism/Whistle-blower Policy	https://www.elinindia.com/pdf/investors/policies/Whistle-Blower-Policy.pdf
Terms and Conditions of appointment of Independent Directors	https://www.elinindia.com/pdf/investors/Disclosure_under_Regulation46_of_SEBI/Modal_Letter_Of_Appointment_Of_Independent_Director.pdf
Risk Management Policy	https://www.elinindia.com/pdf/investors/policies/Risk-Management-Policy.pdf
Remuneration Policy for Directors, KMP and other Employees	https://www.elinindia.com/pdf/investors/policies/Nomination-Remuneration-Policy.pdf
Related Party Transaction Policy	https://www.elinindia.com/pdf/investors/policies/Related-Party-Transaction-Policy-ELIN-Electronics.pdf
Policy for Succession Planning for the Board	https://www.elinindia.com/pdf/investors/policies/Succession-Plan-Policy.pdf
Policy on Board Diversity	https://www.elinindia.com/pdf/investors/policies/Board-Diversity-Policy.pdf
Material Subsidiary Policy	https://www.elinindia.com/pdf/investors/policies/Policy-on-Material-Subsidiaries.pdf
Code of Practices and Procedures for UPSI	https://www.elinindia.com/pdf/investors/code_of_conduct/Code_of_Practices_and_Procedures_for_Fair_Disclosure_of_UPSI.pdf
Induction and Familiarization Programme for Independent Director	https://www.elinindia.com/pdf/investors/management/Familiarization_programme_imparted_to_Independent_Directors_for_FY_2023_2024.pdf
Dividend Distribution Policy	https://www.elinindia.com/pdf/investors/policies/Dividend-Distribution-Policy.pdf
Code of Conduct for Board and Senior Management	https://www.elinindia.com/pdf/investors/code_of_conduct/Code-of-Conduct-for-Directors-and-Senior-Management.pdf
Policy for Preservation of documents	https://www.elinindia.com/pdf/investors/policies/Policy-on-preservation-of-documents.pdf
CSR Policy	https://www.elinindia.com/pdf/investors/csr/CSR-Policy.pdf

On behalf of the Board of Directors

Place: New Delhi
Date: 30.05.2024

(Mangilal Sethia)
Chairman
DIN: 00081367

Report On Corporate Governance (Contd.)

Annexure – A

Compliance Certificate in terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations

To

The Board of Directors

ELIN ELECTRONICS LIMITED

Sub : Compliance Certificate in terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We, Raj Karan Chhajer, Chief Financial Officer and Praveen Tandon, Chief Executive Officer of Elin Electronics Limited, hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2024 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by Elin Electronics Limited during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting in Elin Electronics Limited and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
 - a) Significant changes in internal control over financial reporting during the year;
 - b) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Raj Karan Chhajer
Chief Financial Officer

Praveen Tandon
Chief Executive Officer

Date: 30th May, 2024
Place: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
Elin Electronics Limited
CIN: L29304DL1982PLC428372,
4771, Bharat Ram Road, 23, Daryaganj, Delhi-110002

We have examined the the relevant registers, records, forms, returns and disclosures for the Financial Year 2023 – 2024 as submitted by the Directors of **Elin Electronics Limited** (“the Company”) having its registered office at 4771, Bharat Ram Road, 23, Daryaganj, Delhi-110002 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 Clause 10 (i) of SEBI (LODR) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the Financial Year ending 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 statutory authority.

S. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
1	KAMAL SETHIA	00081116	06/08/2007	-
2	MANGILALL SETHIA	00081367	26/03/1982	-
3	SANJEEV SETHIA	00354700	29/08/2008	-
4	SUMIT SETHIA	00831799	03/06/2020	-
5	SHANTI LAL SARNOT	01899198	30/09/2021	-
6	KAMAL SINGH BAID	07149567	30/03/2015	-
7	SHILPA BAID	08538622	16/08/2019	-
8	ASHIS CHANDRA GUHA	09352987	08/10/2021	-

Ensuing the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P. P. AGARWAL & CO.
Company Secretaries

(Pramod Prasad Agarwal)
Proprietor M. No. F4955 C.P. No. 10566
Peer Review Cert. No.:
UDIN: F004955F000492079

Place: New Delhi
Date: 30th May, 2024

Report On Corporate Governance (Contd.)

Annexure – C

CORPORATE GOVERNANCE CERTIFICATE**To****The Members of Elin Electronics Limited**

We have examined the compliance of conditions of Corporate Governance by ELIN ELECTRONICS Limited (“the Company”), for the Financial Year ended 31st March, 2024 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of regulations of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under the Listing Regulations.

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

For Akshat Garg & Associates
(Company Secretaries)

(CS Akshat Garg)

Prop.

C. P. No. 10655

M. No. F9161

UDIN: F009161F000498793

Place: Ghaziabad

Date: 30th May, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Elin Electronics Limited Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Elin Electronics Limited ("the Company"), which comprise the Balance sheet as at March 31, 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 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 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 March 31, 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 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 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 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 financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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 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 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 financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition – Cut off (as described in Note 2.7 of the standalone financial statements)	
Revenue from the sale of goods is recognized at the moment when control has been transferred to the customer and is measured net of trade discounts, rebates and pricing allowances to customers. The timing of revenue recognition is relevant to the reported performance of the Company. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being recognized before control has been transferred.	Our audit procedures included the following: <ul style="list-style-type: none"> We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. We tested on a sample basis, key customer contracts to identify terms and conditions relating to transfer of control. We performed substantive testing by selecting samples of revenue transactions recorded during the year by testing the underlying documents which included invoices, good dispatch notes, customer acceptances and shipping documents (as applicable). We carried out analytical procedures on revenue recognised during the year to identify unusual variances. We tested, on a sample basis, specific revenue transactions recorded closer to the year end and after the financial year end date to determine whether the revenue had been recognised in the appropriate period.

Independent Auditor's Report (Contd.)

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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 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 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 FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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

Independent Auditor's Report (Contd.)

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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

The financial statements of the Company for the year ended March 31, 2023, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 30, 2023.

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 that (a) the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis and (b) for the matters stated in the paragraph 2 (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 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 March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2 (b) above on reporting under Section 143(3)(b) and paragraph 2 (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 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 March 31, 2024 has been paid / provided by the Company to its directors in accordance with

Independent Auditor's Report (Contd.)

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 financial statements – Refer Note 39 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

vi. Based on our examination which included test checks, and as explained in note 53 to the standalone financial statements, the Company has used an accounting software which is operated by a third-party software service provider, for maintaining its books of account. Since, the verification of audit trail feature is not covered in the SOC 1 Type 2 report, we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of an accounting software where the audit trail has been enabled.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Divya Mathur

Partner

Membership Number: 506846

UDIN: 24506846BKGWJJ2963

Place of Signature: Gurgaon

Date: May 30, 2024

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE OF ELIN ELECTRONICS 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.
- (b) All Property, Plant and Equipment were physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (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 49 to the financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2024.
- (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 except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2024 and no discrepancies were noticed in respect of such confirmations. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (b) As disclosed in note 23 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the unaudited books of accounts of the Company and the details are as follows:

(Amount in Millions)

Quarter ending	Bank	Account	Value per books of account	Value per quarterly return/statement	Discrepancy
Jun-23	Citi Bank, HSBC Bank, HDFC and ICICI Bank	Inventory	1,011	1,011	Nil
Sep-23	Citi Bank, HSBC Bank and ICICI Bank	Inventory	1,073	1,073	Nil
Dec-23	Citi Bank, HDFC bank and ICICI Bank	Inventory	985	966	18
Mar-24	Citi Bank, HDFC bank and ICICI Bank	Inventory	840	859	-18
Jun-23	Citi Bank, HSBC Bank, HDFC and ICICI Bank	Trade Receivable	1,328	1,328	Nil
Sep-23	Citi Bank, HSBC Bank and ICICI Bank	Trade Receivable	1,514	1,514	Nil
Dec-23	Citi Bank, HDFC bank and ICICI Bank	Trade Receivable	1,091	1,084	7
Mar-24	Citi Bank, HDFC bank and ICICI Bank	Trade Receivable	1,339	1,337	2
Sep-23	HDFC Bank	Inventory	1,073	1,069	4

Note: The bank returns were prepared and filed before the completion of all financial statements closure activities which led to these differences between the final books of accounts and the bank returns which were based on provisional books of accounts.

ANNEXURE 1 (Contd.)

(iii) (a) During the year the Company has provided loans to employees as follows:

Particulars	Loan to employees (In INR Millions)
Aggregate amount provided during the year	
Employee loans	22.23
Balance outstanding as at balance sheet date in respect of above cases	
Employee loans	10.77

- (b) During the year the terms and conditions of the grant of all loans to employees are not prejudicial to the Company's interest.
- (c) The Company has granted loans to employees where the schedule of repayment of principle has been stipulated and the repayment or receipt are regular.
- (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.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (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 companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable
- (b) The dues outstanding of provident fund, sales-tax, customs duty and value added tax have not been deposited on account of any dispute, are as follows:

and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(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 Electronics Items, 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.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. 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.

Name of the statute	Nature of the dues	Amount (In Rs Millions)*	Period to which the amount relates	Forum where the dispute is pending
Employees Provident Fund & Miscellaneous Provision Act, 1952	Provident Fund	3.50	Oct 1995 to Sep 2011	Central Government Industrial Tribunal II, Mumbai
Custom Act, 1962	Custom Duty	0.94	2019-20	Commissioner (Appeals) of Customs, Mumbai

ANNEXURE 1 (Contd.)

Name of the statute	Nature of the dues	Amount (In Rs Millions)*	Period to which the amount relates	Forum where the dispute is pending
Goa Value Added Tax, 2005	Value Added Tax	0.16	2017-18	Deputy Commissioner of Commercial Taxes, Goa
The GST Act, 2017	Goods and Service tax	0.59	2017-18	Appellate Authority
The Central Sales Tax Act	Central Sales tax	0.00	2008-09	Additional Commissioner (Appeal)

*Net of amount paid under protest /adjusted against refunds

- (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.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (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.
- (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 subsidiary.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. 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 by way of initial public offer or further public offer (including debt instruments) during the year. Further, refer Note 51 to the financial statements regarding utilisation of proceeds from initial public offer undertaken in previous financial year.
- (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 by the Company or no fraud on the Company has been noticed or reported during the year.
- (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.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) 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 is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the 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.
- (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.

ANNEXURE 1 (Contd.)

- (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.
- (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.
- (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) of the Order is not applicable to the Company.
- (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 financial year. The Company has not incurred cash losses in the immediately preceding financial year.
- (xviii) The previous statutory auditors of the Company have resigned during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) On the basis of the financial ratios disclosed in note 48 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 44 to the financial statements.
- (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 44 to the financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Per Divya Mathur

Partner

Membership Number: 506846

UDIN: 24506846BKGWJJ2963

Place of Signature: Gurugram

Date: May 30, 2024

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ELIN ELECTRONICS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Elin Electronics Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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.

ANNEXURE 2 (Contd.)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to

standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control 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 Divya Mathur

Partner

Membership Number: 506846

UDIN: 24506846BKGWJJ2963

Place of Signature: Gurgaon

Date: May 30, 2024

Standalone Balance Sheet

as at 31st March, 2024

(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	Note No(s)	As at 31 st March, 2024	As at 31 st March, 2023
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	3	1,849.19	1,979.51
(b) Capital work-in-progress	4	119.39	-
(c) Intangible assets	5	5.80	11.15
(d) Investment in subsidiary	6	20.00	20.00
(e) Financial Assets			
(i) Investments	7	14.00	-
(ii) Other Financial Assets	8	56.07	357.63
(f) Other non-current assets	10	17.66	13.99
Total Non Current Assets		2,082.11	2,382.28
Current Assets			
(a) Inventories	11	868.71	1,022.67
(b) Financial Assets			
(i) Investments	12	613.20	260.11
(ii) Trade receivables	13	1,402.72	1,443.47
(iii) Cash and cash equivalents	14	2.08	3.81
(iv) Bank balances other than (iii) above	15	334.53	992.70
(v) Loans	16	-	1.60
(vi) Other Financial Assets	17	38.03	23.24
(c) Current Tax Assets (net)	18	-	14.94
(d) Other current assets	19	90.65	62.15
Total Current Assets		3,349.92	3,824.69
Total Assets		5,432.03	6,206.97
Equity and Liabilities			
Equity			
(a) Equity Share Capital	20	248.30	248.30
(b) Other Equity	20	4,052.14	3,971.21
Total Equity		4,300.44	4,219.51
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	-	395.91
(ii) Lease liabilities	36	5.10	5.09
(b) Provisions	22	-	8.33
(c) Deferred tax liabilities (Net)	9	89.14	84.49
Total Non Current Liabilities		94.24	493.82
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	7.29	250.73
(ii) Lease Liabilities	36	0.06	0.06
(iii) Supplier's credit		20.18	-
(iv) Trade payables			
- total outstanding dues of micro and small enterprises	24	186.33	224.67
- total outstanding dues of creditors other than micro and small enterprises	24	581.37	797.99
(iv) Other financial liabilities	25	87.69	118.86
(b) Other current liabilities	26	116.68	81.13
(c) Provisions	27	33.82	20.20
(d) Current Tax liabilities (Net)	18	3.93	-
Total Current Liabilities		1,037.35	1,493.64
Total Liabilities		1,131.59	1,987.46
Total Equity and Liabilities		5,432.03	6,206.97

The accompanying notes form an integral part of the Standalone financial statements

As per our report of even date attached
For S.R. BATLIBOI & Co. LLP
Chartered Accountants
Firm Reg. No.: 301003E/E300005

Divya Mathur
Partner
M.No.: 506846

Place : Gurgaon
Date : 30th May, 2024

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 30th May, 2024

Standalone Statement of Profit & Loss

for the year ended 31st March, 2024

(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	Note No(s)	For the Year ended 31 st March, 2024	For the Year ended 31 st March, 2023
I INCOME			
Revenue from operations	28	8,352.00	8,670.64
Other Income	29	90.20	21.83
Total Income (I)		8,442.20	8,692.47
II EXPENSE			
Cost of Material Consumed	30	5,806.51	6,100.05
Purchases of stock-in-trade		158.00	183.07
Change in inventories of finished goods, work-in progress and stock-in-trade	31	62.02	32.83
Employee benefits expense	32	1,235.35	1,104.22
Finance Costs	33	77.32	128.08
Depreciation & amortization expenses	3, 5	186.50	164.51
Other Expenses	34	734.58	702.87
Total Expenses (II)		8,260.28	8,415.63
III Profit before tax (I - II)		181.92	276.84
IV Tax expenses			
- Current tax		50.30	60.89
- Adjustment of tax relating to earlier period		4.65	-
- Deferred Tax		(0.42)	4.40
Total tax expenses		54.53	65.29
V Profit for the year (III-IV)		127.39	211.55
VI Other comprehensive Income (OCI):			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		4.28	10.00
Tax expense on items that will not be reclassified to profit or loss		(1.08)	(2.52)
Items that will be reclassified to profit or loss			
Gain/(Loss) on Equity Instruments designated through OCI		-	-
Tax expense on items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year after tax		3.20	7.48
VII Total comprehensive income for the year net of tax (V + VI)		130.59	219.03
VIII Earnings per share from continuing and total operations attributable to the equity holders of the Company [face value of ₹ 5/- each]	35		
- Basic and diluted (amount in ₹)		2.57	4.77

The accompanying notes form an integral part of the Standalone financial statements

As per our report of even date attached

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

Firm Reg. No.: 301003E/E300005

Divya Mathur

Partner

M.No.: 506846

Place : Gurgaon

Date : 30th May, 2024

For and on behalf of the Board

Kamal Sethia

Managing Director

DIN: 00081116

Raj Karan Chhajer

Chief Financial Officer

PAN: AAAPC0561C

Sanjeev Sethia

Whole Time Director

DIN: 00354700

Lata Rani Pawa

Company Secretary and

Compliance Officer

M.No.: A30540

Place : New Delhi

Date : 30th May, 2024

Standalone Statement of Cash Flows

for the year ended 31st March, 2024

(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	For the Year ended 31 st March, 2024	For the Year ended 31 st March, 2023
I. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax	181.92	276.84
Adjustments for :		
Depreciation and amortization expenses	186.50	164.51
(Gain)/Loss on disposal of property, plant and equipment (net)	10.96	(2.30)
Fair value (gain) on financial assets held at fair value through profit or loss	(5.77)	(2.97)
(Gain) on sale of current investments measured at FVTPL	(3.74)	(1.02)
Provision for doubtful dabt (written back) / written off	(0.13)	1.15
Unrelaised Foreign exchange fluctuation Gain (Net)	(0.50)	-
Interest income	(79.58)	(15.18)
Finance costs	77.32	128.08
	185.06	272.27
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivable	70.84	(294.28)
(Increase)/ Decrease in Inventories	153.96	20.69
Increase/ (Decrease) in trade and other payables	(220.46)	313.24
	4.34	39.65
Cash generated from operations	371.32	588.76
Income taxes paid (net)	(32.09)	(86.39)
Net cash generated from / (used in) operating activities	339.23	502.37
II Cash flow from Investing activities		
Purchase for property, plant and equipment including CWIP	(279.67)	(429.37)
Purchase for Intangible Assets	-	(11.13)
Proceeds from grant on property, plant and equipment	55.85	-
Proceeds from sale of property, plant and equipment	38.96	15.66
Proceeds from sale of Current Investment	256.43	251.01
Purchsae of Current Investment	(600.00)	(500.00)
Purchsae of Non Current Investment	(14.00)	-
Deposits made during the year	(1.81)	(1,227.03)
Deposits matured during the year	900.99	4.43
Payment of loan to others	1.60	(1.60)
Interest received	66.90	13.20
Net Cash generated from / (used in) investing activities	425.25	(1,884.83)
III Cash flow from Financing Activities		
Proceeds from borrowings	-	250.00
(Repayment) of borrowings	(639.35)	(456.37)
Share issue expenses	-	(26.19)
Proceeds from issue of Share Capital (including Securities Premium)	-	1,750.00
Payment of Dividend	(49.54)	(42.57)

Standalone Statement of Cash Flows
for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	For the Year ended 31 st March, 2024	For the Year ended 31 st March, 2023
(Repayment) of lease liabilities (including Principal and Interest)	(0.50)	(0.07)
Finance Costs paid	(76.82)	(127.93)
Net Cash generated from / (used in) financing activities	(766.21)	1,346.87
IV Net increase/(decrease) in cash & cash equivalents (I + II + III)	(1.73)	(35.59)
V Cash and cash equivalents at the beginning of the year	3.81	39.40
VI Cash and cash equivalents at end of the year	2.08	3.81
Notes:		
1 The Standalone Statement of Cash flow has been prepared under the indirect method as set-out in the Ind AS - 7 "Statement of Cash Flow" as specified in the Companies (Indian Accounting Standards) Rules, 2015		
2 Figures in bracket indicate cash outflow		
3 Cash and cash equivalents (refer Note 14) comprise of the followings:		
Cash on hand	1.10	2.65
Cheques in hand	0.30	-
Balances with Scheduled banks in Current accounts	0.68	1.16
Balances per statement of cash flows	2.08	3.81
4 Analysis of movement in borrowings		
Borrowings at the beginning of the year	646.64	853.01
Cash flows	(639.35)	(206.37)
Non cash changes	-	-
Borrowings at the end of the year	7.29	646.64

The accompanying notes form an integral part of the Standalone financial statements

As per our report of even date attached
For S.R. BATLIBOI & Co. LLP
Chartered Accountants
Firm Reg. No.: 301003E/E300005

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Divya Mathur
Partner
M.No.: 506846

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

Lata Rani Pawa
Company Secretary and
Compliance Officer

Place : Gurgaon
Date : 30th May, 2024

M.No.: A30540
Place : New Delhi
Date : 30th May, 2024

Standalone Statement of Changes in Equity

(All amounts are in ₹ Millions, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Amount #
Balance as at 1st April, 2022	212.87
Shares Issued through Initial Public Offer ('IPO')	35.43
Balance as at 31st March, 2023	248.30
Issue of Share Capital	-
Balance as at 31st March, 2024	248.30

B. OTHER EQUITY

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium	General Reserve	Retained Earnings	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans	
Balance as at 1st April, 2022	59.55	476.30	1,598.04	(0.10)	30.75	2,164.54
Profit for the year	-	-	211.55	-	7.48	219.03
Transfer to retained earnings	-	50.00	(50.00)	-	-	-
Utilized for payment of Final Dividend	-	(42.57)	-	-	-	(42.57)
Premium arising on issue of equity shares through IPO*	1,714.57	-	-	-	-	1,714.57
Share Issue Expenses on IPO*	(84.37)	-	-	-	-	(84.37)
Balance as at 31st March, 2023	1,689.76	483.73	1,759.59	(0.10)	38.23	3,971.21
Profit for the year	-	-	127.39	-	3.20	130.59
Utilized for payment of Final Dividend	-	-	(49.66)	-	-	(49.66)
Balance as at 31st March, 2024	1,689.76	483.73	1,837.32	(0.10)	41.43	4,052.14

* Refer Note No. 51

As per our report of even date attached
For S.R. BATLIBOI & Co. LLP
Chartered Accountants
Firm Reg. No.: 301003E/E300005

Divya Mathur
Partner
M.No.: 506846

Place : Gurgaon
Date : 30th May, 2024

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

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Sanjeev Sethia
Whole Time Director
DIN: 00354700

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540

Place : New Delhi
Date : 30th May, 2024

Material Accounting Policies

(Amount in ₹ million unless otherwise stated)

1. CORPORATE INFORMATION

Elin Electronics Limited ('the Company') was incorporated in India on 26th March, 1982 under the provisions of the Companies Act, 2013 (CIN L29304DL1982PLC428372). The Company is engaged in the business of Electronics Manufacturing Services. Its share are listed on two recognized stock exchanges in India. The registered office of the Company is located at 4771, Bharat Ram Road, 23, Daryaganj, New Delhi-110002 (India) and manufacturing plants in the state of Uttar Pradesh, Himachal Pradesh and Goa.

The Standalone Financial Statements is approved for issue by the Company's Board of Directors in their meeting held on 30th May, 2024.

Changes in accounting policies and disclosures:-

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 1st 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, 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 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 recognized for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognized 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 1st April, 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

2. MATERIAL ACCOUNTING POLICIES

A summary of the material accounting policies applied in the preparation of the Standalone Financial Statements are as given below. These accounting policies have been applied consistently to all periods presented in the Standalone Financial Statements.

2.1 Basis of Preparation

2.1.1 Statement of compliance

The Standalone Financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation including disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS and the accounting principles generally accepted in India. The Company has consistently applied accounting policies to all periods.

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

Material Accounting Policies (Amount in ₹ million unless otherwise stated) (Contd.)

2.1.2 Historical Cost Convention

The Standalone Financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention and on accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for the following items:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans - Plan assets are measured at fair value.

Functional and presentation currency

Items included in the Standalone Financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Standalone Financial Statements are presented in Indian rupee (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than ₹ 1000 have been rounded and are presented as ₹ 0.00 Millions in the Standalone Financial Statements.

Summary of material accounting policies

2.2 Current vs non-current classification

The Company presents assets and liabilities in the Standalone statement of assets and liabilities based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.3 Property plant and equipment

Recognition and Initial Measurement

Property, plant and equipment is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of each item can be measured reliably. Property, plant and equipment are initially stated at their cost.

Cost of asset includes:

- a) Purchase price, net of any trade discounts and rebates
- b) Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use
- c) Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work-in-progress (CWIP) respectively.

Material Accounting Policies
(Amount in ₹ million unless otherwise stated) (Contd.)

Significant Parts of an item of PPE (including major inspections) having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the expenditure can be measured reliably.

Depreciation and useful lives

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies act, 2013 except for assets used in manufacturing of Medical Products which are depreciated over a period of 3 years based on the management's internal assessment.

Particulars	Useful life as per Schedule II	Particulars	Useful life as per Schedule II
Computers	3 Years	Factory Building	30 Years
Servers	6 Years	Building (other than factory building)	60 Years
Office Equipment	5 Years	Electric Installation and Equipments	10 Years
Furniture and fixtures	10 Years	Motor Cycles	10 Years
Plant & Machinery including Dies, tools and Moulds	10-15 Years	Motor Vehicles & Lorry	8 Years
Plant & Machinery (medical products)*	3 Years		

*For these classes of assets based on internal assessment and technical evaluation, the management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of Companies Act 2013.

Depreciation on additions to/deductions from property, plant and equipment during the period is charged on pro-rata basis from/up to the date on which the asset is available for use/ disposed. Each part of an item of property, plant and equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included

in the Standalone Statement of Profit and loss when the asset is derecognized.

2.4 Intangible assets

Intangible assets acquired separately are stated at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are amortized on straight line basis over the estimated useful life. Estimated useful life of the software is considered as 3 years. Amortization methods, useful lives and residual values are reviewed in each financial year / period end and changes, if any, are accounted for prospectively. An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Standalone Statement of Profit and Loss.

Material Accounting Policies (Amount in ₹ million unless otherwise stated) (Contd.)

2.5 Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior period. Such reversal is recognized in the Standalone Statement of Profit and loss.

2.6 Inventories

a) Inventories (including traded goods) are valued at the lower of cost and net realizable value. Costs incurred in bringing

each product to its present location and condition are accounted for as follows:

- Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Finished goods and intermediate products (including manufactured components): Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on first in, first out basis.
- Stores and spares, consumables and packing materials cost includes direct expenses and is determined on the basis of first in first out method.

b) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

2.7 Revenue recognition

Revenue is measured at the transaction price that is allocated to the performance obligation and it excludes amounts collected on behalf of third parties and is adjusted for variable considerations. Any subsequent change in the transaction price is then allocated to the performance obligations in the contract on the same basis as at contract inception. The Company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The Company estimates the amount of revenue to be recognized on variable consideration using most likely amount method. Consequently, amounts allocated to a satisfied performance obligation are recognized as revenue, or as a reduction of revenue, in the period in which the transaction price changes. Contract modifications are accounted for when

Material Accounting Policies (Amount in ₹ million unless otherwise stated) (Contd.)

additions, deletions or changes are approved either to the contract scope or contract price.

a) Sale of products and Services

Revenue from sale of products is recognized at the point in time when control of the goods is transferred to the customer at the time of shipment to or receipt of goods by the customers 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 arrangements as it typically controls the goods or services before transferring them to the customer.

Sales-related obligation associated with sale of goods cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Company accounts for such obligation in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

The goods and service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

b) Other Operating Revenue

Export incentive is recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

c) Other Revenue

- **Interest income:** Interest income is recognized as interest accrues using the effective interest method ("EIR") that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.
- **Dividends:** Dividend income is recognized when the right to receive payment is established.

- **Rental income:** Rental income arising from operating leases or on investment properties is accounted for on a straight-line basis over the lease terms & included in other non-operating income in Statement of Profit and Loss.
- **Insurance Claims:** Insurance claims are accounted for as and when admitted by the concerned authority.

d) Contract balances

- **Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.
- **Trade receivables:** A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).
- **Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

e) Right of return

The Company provides a customer with a right to return in case of any defects or on grounds of quality. The Company uses the expected value method to estimate the goods that will not be returned because

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this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price.

The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the Company.

The Company has also applied the practical expedient under Ind AS 115 for incremental cost of obtaining a contract and has recognized such cost as an expense when incurred if the amortization period of the asset is one year or less.

2.8 Taxes

Tax expense comprises current tax expense and deferred tax.

a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized 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.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized.

Deferred tax is recognized in Standalone Statement of Profit and loss except to the extent it relates to items recognized outside profit or loss, in which case is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit 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 financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected

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to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized 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 assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.9 Foreign currencies

The Company's Standalone financial statements are presented in ₹, which is also the Company's functional currency. Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the reporting date are converted to functional currency using the closing rate (Closing selling rates for liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on settlement of monetary items, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Standalone Statement of Profit and loss in the period in which they arise. These exchange differences are presented in the Standalone Statement of Profit and loss on net basis.

2.10 Employee benefit

a) Short-term employee benefits

Employee benefits such as salaries, short term compensated absences, and other benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the Standalone Statement of Profit and loss in the period in which the employee renders the related services.

b) Post-employment benefits

- **Defined Contribution Plan:** A defined contribution plan is a plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Company makes specified monthly contribution towards provident fund ('PF') and employee state insurance scheme ('ESI') which is a defined contribution plan. The Company's contribution is recognized as an expense in the Standalone statement of profit and loss during the period in which the employee renders the related service.

- **Defined Benefit Plan:** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under such plans, the obligation for any benefits remains with the Company. The Company's liability towards gratuity and leave Encashment is in the nature of defined benefit plan.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Company makes periodic contributions to the Kotak Mahindra Life Insurance Limited, Bajaj Allianz Life Insurance Co. Ltd, Tata Aia Life

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Insurance Co Ltd and Reliance Nippon Life Insurance Co. Ltd. for the Gratuity Plan in respect of employees.

The employees' leave encashment scheme is managed by HDFC Life Insurance Company Limited which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method and is recognized on the basis of eligible leave balances of employees' as on valuation date.

The liability in respect of gratuity and leave encashment is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method.

The Company's net obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date.

Re-measurement, comprising actuarial gains and losses, is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to Standalone Statement of Profit and loss.

Defined benefit costs comprising current service cost, past service cost, interest cost and gains or losses on settlements are recognized in the Standalone Statement of Profit and loss as employee benefits expense. Gains or losses on settlement of any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the Company

recognizes related restructuring costs or termination benefits.

c) Other long-term employee benefits

Benefits under the Company's compensated absences constitute other long-term employee benefits, recognized as an expense in the Standalone Statement of Profit and loss for the period in which the employee has rendered services. The obligation recognized in respect of these long-term benefits is measured at present value of the obligation based on actuarial valuation using the Projected Unit credit method.

Long term employee benefit costs comprising current service cost, interest cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the Standalone Statement of Profit and loss as employee benefit expenses.

2.11 Cash and cash equivalents

Cash and cash equivalent include cash on hand, cash at banks and short-term deposits 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 change in value.

For the purpose of the Standalone statement of cash flows, cash and cash equivalents consist of unrestricted cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

2.12 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction of qualifying assets are capitalized as part of the cost of such assets upto the assets are substantially ready for their intended use.

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortized on the basis of the Effective Interest Rate (EIR) method over the term of the loan. All other borrowing costs are recognized in the Standalone Statement of Profit and loss in the period in which they are incurred.

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2.13 Provisions, contingent assets and contingent liabilities

a) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risk and uncertainties surrounding the obligation.

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

b) Warranties

Provisions for the expected liability of warranty obligations under sale of goods are recognized at the management's best estimate if the claims of the customers under warranty are probable and the amount can be reasonably estimated.

c) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each financial reporting date and adjusted to reflect the current best estimates.

d) Contingent assets

Contingent assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

2.14 Leases

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

a) 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 recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes 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 re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, 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 over the shorter of the lease term and the estimated useful lives of the assets.

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.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Standalone Statement of Profit and loss.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value

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of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized 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 re-measured 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. The Company's lease liabilities are included in financial liabilities

iii) Short term lease and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases contracts including lease of residential premises and

offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

iv) Single discount rate

The Company has applied the available practical expedient with respect to single discount rate wherein single discount rate is used for portfolio of leases with reasonably similar characteristics.

b) 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 recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

2.15 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. Trade receivables issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

a) Financial assets

Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognized initially at fair value plus or minus a transaction

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cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognized immediately in the Standalone Statement of Profit and Loss.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI – equity investment). The Company makes such election 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 recognized in the other comprehensive income ('OCI'). There is no recycling of the amounts from OCI to the Standalone Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Standalone Statement of Profit and Loss.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in the Standalone Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognized in the Standalone Statement of Profit and Loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Impairment of financial assets

Expected credit loss (ECL) is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that

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the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are measured at amortized cost e.g., deposits, trade receivables and bank balance.
- (b) Financial assets that are measured as at FVTOCI
- (c) Lease receivables under Ind AS 116
- (d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the

lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Standalone Statement of Profit and loss. ECL for financial assets measured as at amortized cost and contractual revenue receivables is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Standalone statement of assets and Liabilities. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The Company does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its Standalone statement of assets and liabilities but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

b) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial liabilities at fair value through profit or loss

The Company has not designated any financial liabilities at FVTPL.

(ii) Financial liabilities at amortized cost

After initial recognition, Loans, borrowings, trade payables and other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest expense is recognized in the Standalone Statement of Profit and loss. Any gain or loss on derecognition is also recognized in the Standalone Statement of Profit and loss.

Derecognition of financial liabilities

A financial liability is derecognized 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 recognized in the Standalone Statement of Profit and loss.

c) Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Standalone statement of assets and liabilities if there is a currently enforceable contractual legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.16 Fair value measurement

The Company measures financial instruments at fair value at each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Company.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: 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).

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

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for the fair value. Other fair value related disclosures are given in note 44.

2.17 GST Credit

The GST credit available on purchase of raw materials, other eligible inputs and capital goods is adjusted against taxes payable. The

unadjusted GST credit is shown under the head "Other Current Assets".

2.18 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 period 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 period 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. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the Standalone Financial statements by the Board of Directors.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the Company.

The business of the Company falls within a single line of business i.e. electronics manufacturing services. All other activities of the Company revolve around its main business. Hence, no separate reportable primary segment.

2.20 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and

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the Company will comply with all stipulated conditions. Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income. Grants related to assets are reduced from the carrying amount of the asset. Such grants are recognized in the Standalone Statement of Profit and Loss over the useful life of the related depreciable asset by way of reduced depreciation charge.

2.21 Standalone Statement of Cash Flows

The Standalone statements of cash flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

2.22 Significant accounting estimates and judgments

The estimates used in the preparation of the Standalone Financial Statements of each period/year presented are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Standalone Financial Statements in the period in which they become known.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying

amounts of assets and liabilities within the next financial year, are described below. Actual results could differ from these estimates.

Significant judgements

- **Allowances for uncollected trade receivables**

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems not be collectible.

- **Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes Although there can be no assurance of the final outcome of legal proceedings in which the Company is involved. it is not expected that such contingencies will have material effect on its financial position of probability.

- **Impairment of other financial assets**

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation., based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **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 nature of business differences arising between the actual results and the

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assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes current tax payable, based on reasonable estimates. The amount of such current tax payable 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 domicile of the Company.

- **Recoverability of deferred taxes**

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- **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 Discounted Cash Flow ('DCF') model.

Significant estimates

- **Defined benefit plans**

The costs of post-retirement benefit obligation are 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.

- **Useful lives of property, plant and equipment and intangible assets**

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. At the end of the current reporting period, the management determined that the useful lives of property, plant and equipment and intangible assets at which they are currently being depreciated represent the correct estimate of the lives and need no change.

- **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.

- **Determining the lease term of contracts with renewal and termination options – Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Material Accounting Policies (Amount in ₹ million unless otherwise stated) (Contd.)

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

- **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Standalone statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible,

a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- **Warranties**

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties. However, the actual future outcome may be different from management's estimates. Product warranty liability and warranty expenses are recorded if the claims of the customers under warranty are probable and the amount can be reasonably estimated.

2.23 Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities, which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and Machinery	Building	Dies, Moulds & Tools	Electrical Installations	Furniture and Fixtures	Office Equipment's	Computers	Vehicles	Land (Leasehold)	Land (Freehold)	Right-of-use-assets	Total
Gross Carrying Value												
Balance as at 1st April, 2022	1,432.58	660.91	241.01	150.04	44.92	10.48	32.73	55.41	104.64	-	0.78	2,733.51
Additions	181.40	75.67	79.11	71.50	3.38	1.12	4.05	13.69	117.32	-	3.11	550.36
Disposals	21.42	15.97	49.01	7.19	0.28	0.57	8.56	6.44	-	-	-	109.44
Balance as at 31st March, 2023	1,592.56	720.61	271.11	214.35	48.02	11.04	28.22	62.66	221.96	-	3.89	3,174.42
Additions	65.52	0.48	51.90	22.65	2.28	0.92	4.08	8.77	-	-	-	156.60
Disposals	68.32	-	2.91	29.83	-	0.11	0.08	6.24	-	-	-	107.49
Capital Subsidy Received (Refer footnote 1)	31.15	21.64	0.35	1.86	0.85	-	-	-	-	-	-	55.85
Balance as at 31st March, 2024	1,558.61	699.45	319.75	205.31	49.45	11.85	32.22	65.19	221.96	-	3.89	3,167.68
Accumulated depreciation												
Balance as at 1st April, 2022	634.81	208.48	85.52	90.75	28.78	6.34	24.67	32.66	18.21	-	0.03	1,130.26
Depreciation charge for the year	87.38	18.92	26.66	12.16	2.27	1.28	4.27	4.92	2.41	-	0.01	160.30
Disposals	16.26	15.97	43.32	5.69	0.24	0.54	8.55	5.06	-	-	-	95.64
Balance as at 31st March, 2023	705.94	211.43	68.86	97.22	30.81	7.08	20.39	32.52	20.62	-	0.04	1,194.91
Depreciation charge for the year	103.95	18.78	27.35	14.26	2.48	1.34	4.34	5.74	3.51	-	0.08	181.83
Disposals	42.22	-	0.86	9.13	-	0.11	0.07	5.86	-	-	-	58.25

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	Plant and Machinery	Building	Dies, Moulds & Tools	Electrical Installations	Furniture and Fixtures	Office Equipment's	Computers	Vehicles	Land (Leasehold)	Land (Freehold)	Right-of-use-assets	Total
Balance as at 31st March, 2024	767.67	230.21	95.35	102.35	33.29	8.31	24.66	32.40	24.13	-	0.12	1,318.49
Net Carrying Value												
Balance as at 31 st March, 2023	886.62	509.17	202.26	117.13	17.21	3.96	7.83	30.14	201.34	-	3.85	1,979.51
Balance as at 31st March, 2024	790.94	469.24	224.40	102.96	16.16	3.54	7.56	32.79	197.83	-	3.77	1,849.19

- The Company has received capital subsidy of ₹ 55.85 Million. for investment during October, 2015 to March, 2018 in Capex in manufacturing plant at Plot No.C-142, 143, 144, 144/1, 144/2, Site No.1, Bulland Shahar Road, Ghaziabad, Uttar Pradesh, 201009 under Modified Special Incentive Package Scheme (M-SIPS) notified vide M-SIPS Policy Gazette Notification No. 175 dated 27th July 2012 and revised from time to time till date from Ministry of Electronics and Information Technology (Meity) vide approval letter dt 26th March, 2024. The said amount has been adjusted to the carrying value of respective Property Plant and Equipments.
- Refer Note 21 and 23 for details of assets pledged.
- The Company had elected to continue with the carrying value of property, plant and equipment as recognised in the financial statements as per previous GAAP and had regarded those values as the deemed costs on the date of transition (i.e. 1st April, 2018).
- For contractual commitment related to property, plant and equipment - Refer Note 39(b)
- The Company has not revalued any property, plant and equipment in current financial year as well as previous year.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

4 CAPITAL WORK-IN-PROGRESS

Particulars	Total
Balance as at 1st April, 2022	0.18
Additions	-
Disposals	(0.18)
Balance as at 31st March, 2023	-
Additions	119.39
Disposals	-
Balance as at 31st March, 2024	119.39

4.1 Capital work-in-progress ageing schedule

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Balance as at 31 st March, 2023	-	-	-	-	-
Balance as at 31st March, 2024	119.39	-	-	-	119.39

4.2 For the year ended 31st March, 2024 and 31st March, 2023, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

5 INTANGIBLE ASSETS

Particulars	Computer Software
Gross Carrying Value	
Balance as at 1st April, 2022	15.27
Additions	11.20
Disposals	1.36
Balance as at 31st March, 2023	25.11
Additions	-
Disposals	13.91
Balance as at 31st March, 2024	11.20
Accumulated amortization and impairment	
Balance as at 1st April, 2022	11.12
Amortization	4.14
Disposals	1.29
Balance as at 31st March, 2023	13.97
Amortization	4.67
Disposals	13.24
Balance as at 31st March, 2024	5.40
Net Carrying Value	
Balance as at 31 st March, 2023	11.15
Balance as at 31st March, 2024	5.80

1. The Company has not revalued any intangible assets in current financial year as well as previous year.
2. The Company had elected to continue with the carrying value of intangible assets as recognised in the financial statements as per previous GAAP and had regarded those values as the deemed costs on the date of transition (i.e. 1st April, 2018).

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

6 INVESTMENT IN SUBSIDIARIES, ASSOCIATES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unquoted Investments (At Cost)		
Investment in Equity Instruments		
Subsidiary	20.00	20.00
Total	20.00	20.00

A. Investment in subsidiaries

Particulars	Face value per share (₹)	Elin Appliances Pvt. Ltd.	
		No. of Shares	Amount
Investment in Equity Instruments - Equity Shares			
As at 31 st March, 2023	10/-	2,00,000	20.00
As at 31st March, 2024	10/-	2,00,000	20.00

B. Additional Disclosures:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Aggregate carrying value of unquoted investments	20.00	20.00
Aggregate amount of impairment in value of investments	-	-

C. Additional details of Subsidiaries

Name of Entity	Principal Activity	Place of incorporation and principal business
Subsidiaries		
Elin Appliances Private Limited	Manufacturing of Home Appliances and Electric Components & Parts	India

7 NON-CURRENT INVESTMENTS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unquoted equity shares		
Investments - Non-Trade		
Investments in Equity instruments	14.00	-
Total	14.00	-

7.1 Detail of Non-Current Investments

Particulars	Elcina Electronics Cluster Pvt Ltd (Face Value ₹ 10/- each)		Sunsure Solarpark Ten Private Ltd. (Face Value ₹ 10/- each)		Total Amount
	No. of Shares	Amount	No. of Shares	Amount	
Financial assets measured at FVTOCI					
Investment in equity instruments - Equity Shares (Fully paid up)					
As at 31 st March, 2023	10,000	-	-	-	-
As at 31st March, 2024	10,000	-	10,623	14.00	14.00

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

7.2. Additional Disclosures:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Aggregate carrying value of unquoted investments	14.00	-

7.3. Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Group. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

8 OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, Considered Good and measured at amortised cost unless otherwise stated		
Bank deposits with more than 12 months maturity *	11.94	310.00
Interest Receivable	0.04	3.54
Security Deposit	44.09	44.09
Total	56.07	357.63

* Above Bank deposits included temporary deposits of unutilised IPO proceeds of ₹ Nil (P.Y. ₹ 310 Million) and amount of ₹ 11.94 Million (P.Y. ₹ Nil) are held as margin money/securities with banks.

9 DEFERRED TAX ASSETS / (LIABILITIES) (NET)

Deferred income tax reflect the net tax effects of temporary difference between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Significant component of the Company's net deferred tax are as follows:-

Particulars	Defined benefit obligation	Property, plant and equipment (Including Intangible Assets)	Provisions & others	Total
As at 1st April, 2022	1.74	(88.28)	8.96	(77.58)
(Changed)/Credited:				
- to profit and loss	4.77	(12.61)	3.45	(4.39)
- to other comprehensive income	(2.52)	-	-	(2.52)
As at 31st March, 2023	3.99	(100.89)	12.41	(84.49)
(Changed)/Credited:				
- to profit and loss	1.98	(6.28)	0.73	(3.57)
- to other comprehensive income	(1.08)	-	-	(1.08)
As at 31st March, 2024	4.89	(107.17)	13.14	(89.14)

10 OTHER NON-CURRENT ASSETS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, Considered Good		
Capital Advances	17.66	13.99
Total	17.66	13.99

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

11 INVENTORIES (AT COST OR NET REALIZABLE VALUE WHICHEVER IS LOWER)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Inventories (As Certified and valued by the management)		
Raw Materials	519.96	643.34
Raw Materials in transit	30.03	4.80
	549.99	648.14
Work-in-progress	192.63	202.72
Finished goods	93.21	145.14
Stores and Spares	32.88	26.67
Total	868.71	1,022.67

During the year ended 31st March, 2024 ₹ 1.27 Million (31st March, 2023 ₹ Nil) was recognised as an expenses for inventories valued at net reliasable value.

12 CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Quoted Investments		
Investments in Mutual Funds	613.20	260.11
Total	613.20	260.11

Detail of Current Financial Assets - Investments

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Units	Amount	Units	Amount
Financial assets carried at fair value through statement of profit or loss (FVTPL)				
Investments in mutual funds - Quoted Investment				
HDFC Group Unit Linked Plan Option B	97,079	8.02	96,898.34	7.43
Nippon India Low Duration Fund - Direct Growth Plan Growth Option	-	-	75,646.41	252.68
Nippon India Corporate Bond Fund - Direct Plan Growth Plan - Growth Option	84,06,563	474.11	-	-
Nippon India Arbitrage Fund - Direct Growth Plan Growth Option	50,14,794	131.07	-	-
Total Current Investments at FVTPL		613.20		260.11
Aggregate book value of quoted investments		613.20		260.11
Aggregate market value of quoted investments		613.20		260.11
Aggregate amount of impairment in value of investments		-		-

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

13 TRADE RECEIVABLES (CARRIED AT AMORTISED COST)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Trade Receivables		
Unsecured, considered good	1,402.72	1,443.47
Trade Receivables - credit impaired	1.40	1.53
Less: expected credit loss allowance	(1.40)	(1.53)
Total	1,402.72	1,443.47

Movement in the expected credit loss allowance of trade receivables are as follows:

Balance at the Beginning of the year	1.53	1.56
Add: Provided during the period/year	(0.13)	1.15
Less: Amount written off	-	(1.18)
Balance at the end of the period/year	1.40	1.53

Impairment Allowance (allowance for bad and doubtful debts)

Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	1.40	1.53
	1.40	1.53

13.1 Trade Receivables Ageing Schedule:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Undisputed Trade receivables – considered good		
Not Due	1,051.00	1,110.31
Less than 6 months	350.01	327.24
6 months - 1 year	1.24	4.57
1 -2 years	0.43	1.24
2 -3 years	0.04	0.11
More than 3 years	-	-
Total	1,402.72	1,443.47
Undisputed Credit impaired		
Not Due	0.96	1.06
Less than 6 months	0.34	0.33
6 months - 1 year	0.00	0.00
1 -2 years	0.05	0.13
2 -3 years	0.00	0.01
More than 3 years	0.05	-
Total	1.40	1.53
Total Trade Receivable	1,404.12	1,445.00

13.2 There are no disputed balances of Trade Receivables as at 31st March, 2024 and 31st March, 2023.

13.3 No trade receivable or advances are due from directors or other officers of the Company either severally or jointly with any other person. Trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member is disclosed in Note 42.

13.4 Trade receivables are non interest bearing and are generally on terms of 45 to 115 days.

13.5 There is no outstanding receivable form Related parties as on 31st March, 2024 and 31st March, 2023

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

14 CASH & CASH EQUIVALENTS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance with banks in current account	0.68	1.16
Cheques, drafts on hand;	0.30	-
Cash on hand;	1.10	2.65
Total	2.08	3.81

15 OTHER BANK BALANCES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balances with Bank		
- In Monitoring Agency & Excrow Account	12.08	68.91
- In Earned Unpaid Dividend Account	0.12	0.00
- Deposit with banks (Original maturity more than three months and less than twelve months *)	322.33	923.79
Total	334.53	992.70

* Above Bank deposits included temporary deposits of unutilised IPO proceeds of ₹ 236.92 Million (P.Y. ₹ 655.40 Million) and amount of ₹ 12.33 Million. (P.Y. ₹ 23.69 Million) are held as margin money/securities with banks.

16 LOANS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Loan to Others*	-	1.60
Total	-	1.60

*No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

17 OTHER CURRENT FINANCIAL ASSETS (CARRIED AT AMORTISED COST)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good and measured at amortized cost unless otherwise stated		
Interest accrued on deposits	26.44	9.92
Loans & Advances to Staff & Workers*	11.59	13.32
Total	38.03	23.24

*Interest free loan and advance given to Staff and Workers and period of repayment is less than one year.

18 CURRENT TAX ASSETS / LIABILITIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Current Tax Assets		
Advance Income Tax / TDS (net of provisions)	-	14.94
Current Tax Liabilities		
Income Tax Provisions (net of Advance Income Tax / TDS of ₹ 46.37 Million)	3.93	-

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

19 OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Balance with Government Authorities	19.70	14.55
Gratuity fund balance (refer note 37)	1.27	5.43
Advance to Suppliers	64.91	39.78
Export Incentive recoverable*	0.17	0.29
Prepaid Expenses	4.60	2.10
Total	90.65	62.15

*Export Incentive is recoverable in relation to the export of goods. There are no unfulfilled conditions or contingencies attached to these grants.

20 A. SHARE CAPITAL**(i) Authorised Share Capital**

Particulars	Equity Share Capital	
	No of Shares	Amount
As at 1st April, 2022	10,00,00,000	500.00
Increase during the year	-	-
As at 31st March, 2023	10,00,00,000	500.00
Increase during the year	-	-
As at 31st March, 2024	10,00,00,000	500.00

(ii) Shares issued, subscribed and fully paid-up

Particulars	Equity Share Capital	
	No of Shares	Amount #
As at 1st April, 2022	4,25,74,200	212.87
Add: Shares issued during the year (Refer Note 51)	70,85,020	35.43
Less: Share bought back during the year	-	-
As at 31st March, 2023	4,96,59,220	248.30
Add: Shares issued during the year	-	-
Less: Share bought back during the year	-	-
As at 31st March, 2024	4,96,59,220	248.30

(iii) Terms/right attached to equity shares

The Company has one class of shares having a face value of ₹ 5/- per equity share. The Company declares and pay dividends in Indian rupees. The dividend proposed by the board of directors is subject to the approvals of the shareholders in ensuing Annual General Meeting. Each holder of equity shares is entitled to one vote per equity share held in the Company. 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.

(iv) Shares Split & Bonus Issue

Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date. Pursuant to a resolution passed by our Board on 6th September, 2021 and a resolution of shareholders dated, 30th September, 2021, each equity share of face value of ₹ 10 each has been split into two equity shares of face

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

value of ₹ 5 each. Accordingly, the issued, subscribed and paid up capital of the Company was subdivided from 68,06,700 equity shares of face value of ₹ 10 each to 1,36,13,400 equity shares of face value of ₹ 5 each. The Board of Directors pursuant to a resolution dated 6th September, 2021 and the shareholders special resolution dated 30th September, 2021 have approved the issuance of two bonus equity shares of face value ₹ 5 each for every one existing fully paid up equity share of face value ₹ 5 each and accordingly 2,72,26,800 bonus equity shares were issued and allotted in accordance with the Section 63 of the Companies Act, 2013.”

(v) Detail of shareholders holding more than 5 percent of Equity Shares

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
Late Suman Sethia	27,24,535	27,24,535
	5.49%	5.49%
Kishore Sethia	25,07,763	25,07,763
	5.05%	5.05%

(vi) Disclosures of Shareholding of promoters

Promoter Name	Shares held at March 31' 2024		Shares held at March 31' 2023		Change during the year	% Change during the year ended March' 2024*
	Nos. of Shares	% of Total Shares	Nos. of Shares	% of Total Shares		
Kamal Sethia	15,68,991	3.16%	15,33,991	3.09%	35,000	0.07%
Late Suman Sethia	27,24,535	5.49%	27,24,535	5.49%	-	0.00%
Kishore Sethia	25,07,763	5.05%	25,07,763	5.05%	-	0.00%
Vasudha Sethia	7,43,654	1.50%	7,43,654	1.50%	-	0.00%
Gaurav Sethia	21,51,236	4.33%	21,15,636	4.26%	35,600	0.07%
Vinay Kumar Sethia	4,68,250	0.94%	4,32,450	0.87%	35,800	0.07%
Sanjeev Sethia	9,41,500	1.90%	9,15,600	1.84%	25,900	0.05%
Sumit Sethia	5,94,734	1.20%	5,94,734	1.20%	-	0.00%

* Change is computed based on the equity holding % as at end of current year vis-à-vis previous year.

B. OTHER EQUITY

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
(i) Retained Earnings	1,837.32	1,759.59
(ii) Securities Premium	1,689.76	1,689.76
(iii) General Reserve	483.73	483.73
(iv) Components of Other Comprehensive Income		
a. Changes in fair value of FVOCI equity instruments	(0.10)	(0.10)
b. Remeasurement of defined benefit plans	41.43	38.23
Total	4,052.14	3,971.21

Nature and Purpose of Reserve

- Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- General reserve is the free reserve created out of the retained earnings of the Company. The reserve can be utilised in accordance with the provision of the Companies Act, 2013.
- 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. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

(i) Retained Earnings

Particulars	Amount
As at 1st April, 2022	1,598.04
Add: Net profit for the year	211.55
Less: Transfer to reserve during the year	(50.00)
As at March 31, 2023	1,759.59
Add: Net profit for the year	127.39
Less: Utilized for payment of Final Dividend	(49.66)
As at March 31, 2024	1,837.32

(ii) Other Reserves

Particulars	Securities Premium	General Reserve
As at 1st April, 2022	59.55	476.30
Increase during the year	1,714.57	50.00
Decrease during the year (Refer Note 51)	(84.37)	(42.57)
As at 31st March, 2023	1,689.76	483.73
Increase during the year	-	-
Decrease during the year	-	-
As at 31st March, 2024	1,689.76	483.73

(iii) Components of Other Comprehensive Income

Particulars	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans
As at 1st April, 2022	(0.10)	30.75
Increase during the year	-	7.48
Decrease during the year	-	-
As at 31st March, 2023	(0.10)	38.23
Increase during the year	-	3.20
Decrease during the year	-	-
As at 31st March, 2024	(0.10)	41.43

21 NON-CURRENT BORROWINGS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At amortised cost		
Secured Borrowings		
Term Loans - from Banks*	-	578.82
Less : Current maturities of long term debt - Term Loans	-	(182.91)
Total	-	395.91

* net off of Rs Nil Millions (2023: ₹ 0.55 Millions) as finance charge

Notes:

- a) Term Loans is secured by way of first pari passu charge over entire movable Property Plant and Equipment of the Company and immovable Property Plant and Equipment of the Company by equitable mortgage of properties situated at Ghaziabad and Goa. These are further secured by second pari passu charge on entire current assets of the Company and personal guarantee of the four Directors of the Company. This facility has been closed during F.Y. 2023-24.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

b) Term Loans - Repayment schedule and rate of interest

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Secured		
Weighted Ave. Rate of Interest	-	8.63%
Outstanding amount	-	578.82
Repayment Due		
FY 2022-23	-	-
FY 2023-24	-	182.91
FY 2024-25	-	142.89
Remaining payable upto 2028-29	-	253.02

22 NON-CURRENT PROVISIONS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Employee Benefits (refer note 37)		
Provision for compensated absences	-	8.33
Total	-	8.33

23 CURRENT BORROWINGS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At amortised cost		
Borrowings - Loans repayable on demands		
Secured		
(i) from banks - Working Capital	7.29	67.82
(ii) Current maturities of non current borrowings (refer footnote (b))	-	182.91
Total	7.29	250.73

Notes:

- Working Capital loan of Company is secured by exclusive first pari passu charge on entire stock of Raw material, Work-in-Progress, Finished Goods, Consumable Stores, Book Debts and other current assets of the Company, both present and future. These loans are further secured by second pari passu charge over the entire movable Property Plant and Equipment of the Company, other and immovable Property Plant and Equipment of the Company by equitable mortgage of properties situated at Ghaziabad and Goa and personal guarantee of the four Directors of the Company.
- The Company has availed working capital loan from HDFC Bank, CITI Bank and ICICI bank is repayable on demand bearing a floating interest rate on HDFC Loan 3 Month Tbill+1.76% (Effective Rate 8.79%), Interest rate on ICICI Bank Loan 3M MCLR + Spread @0.05% (Effective Rate 8.70%) and Fixed interest rate on CITI Bank loan @ 8.85%.
- For details regarding repayment terms, interest rate and nature of security on current maturities of non current borrowings (Note 21 (a) and (b)).
- The Company has satisfied all the covenants prescribed in terms of borrowings.
- The Company has not defaulted on any loans payable.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

24 TRADE PAYABLES (CARRIED AT AMORTISED COST)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Trade Payables		
Total Outstanding Dues of Micro and Small Enterprises (refer note 38)	186.33	224.67
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	581.37	797.98
Total	767.70	1,022.65

24.1 Trade Payables Ageing Schedule, on due basis:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Total Outstanding Dues of Micro and Small Enterprises		
Unbilled	-	-
Not Due	184.36	209.53
Less than 1 year	1.97	15.14
1 -2 years	-	-
2 -3 years	-	-
More than 3 years	-	-
Total	186.33	224.67
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		
Unbilled	4.36	-
Not Due	470.70	607.31
Less than 1 year	106.28	184.09
1 -2 years	0.03	1.63
2 -3 years	-	4.95
More than 3 years	-	-
Total	581.37	797.98

24.2 There are no disputed balances of MSME or other than MSME as on Mar'24 and Mar'23

24.3 Trade Payable are non-interest bearing and are normally settled on 60 days terms.

24.4 There is no trade payable to related parties.

25 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unpaid Dividends (refer note 15)*	0.12	0.00
Payable to Selling Shareholders (refer note 51)	-	9.24
Employee Benefit payable	87.57	109.61
Total	87.69	118.86

* No amount due and outstanding to be credited to Investor Education and Protection Fund.

26 OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Advances from Customers*	63.88	44.35
Statutory Dues payable	52.80	36.79
Total	116.68	81.13

*Goods to be supplied in the next financial year.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

27 CURRENT PROVISIONS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provisions for Employee Benefits		
Provision for compensated absences (refer note 37)	19.44	7.50
Provision - Others*	14.38	12.70
Total	33.82	20.20

*Included provision for sales related obligations

Changes in provisions (Current and Non Current) are as below :

Particulars	Provision for compensated absences	Provision -Others*
As at 1st April, 2022	14.64	-
Addition during the year	4.53	12.70
Utilization / reversal during the year	(3.33)	-
As at 31st March, 2023	15.84	12.70
Addition during the year	5.85	14.11
Utilization / reversal during the year	(2.25)	(12.43)
As at 31st March, 2024	19.44	14.38

28 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Sale of Products	8,084.74	8,395.30
Sale of Services	23.46	19.67
Other Operating Revenues		
- Scrap sale	243.33	254.99
- Export Incentives	0.47	0.68
Total	8,352.00	8,670.64

28.1 Contract Balances

Receivables, which are included in 'trade receivables'	1,402.72	1,443.47
Advances received from customers	63.88	44.35

28.1 Disaggregated information by primary geographical market

Set out below is the Disaggregation of the Company's revenue from contracts with customers

Location		
India	8,327.74	8,633.47
Outside India	23.79	36.49
Total revenue from contracts with customers*	8,351.53	8,669.96

* Excluding export incentives

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

28.3 Timing of revenue recognition

Goods Transferred at a point of time	8,328.07	8,650.29
Service transferred over time	23.46	19.67
Revenue from contracts with customers*	8,351.53	8,669.96

27.4 Set out below is the amount of revenue recognized from

Amounts included in contract liabilities at the beginning of the year	44.35	21.04
Performance obligations satisfied in previous years	-	-

27.5 Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price

Revenue as per contracted price (as invoiced)	8,401.78	8,724.62
Adjustments		
Provision for sales related obligations	(14.11)	(12.70)
Sales return	(36.14)	(41.96)
Revenue from contracts with customers*	8,351.53	8,669.96

*Revenue from sale of goods is recognized on transfer of control of goods to the buyer. Revenue is measured at the price charged to the customer and are recorded net of returns (if any), trade discounts, rebates, other pricing allowances to trade/consumer, when it is probable that the associated economic benefits will flow to the Company. Accumulated experience is used to estimate the accruals and provisions for discounts and rebates.

The performance obligation in contracts is considered as fulfilled in accordance with the terms agreed with the respective customers, which is mainly upon arrival at the customer.

Revenue from sale of goods is presented net of Goods and Services Tax (GST).

29 OTHER INCOME

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Other non-operating income		
Income from investments		
Interest Income from financial assets at amortized cost		
- On Fixed Deposits with Banks	74.68	15.18
- On Others	4.91	-
Gain on sale of current investments measured at FVTPL	3.74	1.01
Fair value gain on Financial Instruments at fair value through profit or loss	5.77	2.97
Provision for bad and doubtful debts written back	0.13	-
Gain on disposal of Property, Plant and Equipments (net)	-	2.30
Foreign exchange fluctuation Gain (Net)	0.50	-
Miscellaneous Income	0.47	0.36
Total	90.20	21.83

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

30 COST OF MATERIAL CONSUMED

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Inventories at the beginning of the year	670.01	656.22
Add : Purchases during the year	5,719.37	6,113.84
	6,389.38	6,770.06
Less: Inventory at the end of the year	582.87	670.01
Total material consumed	5,806.51	6,100.05

31 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN PROGRESS AND STOCK-IN TRADE

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Inventories at the beginning of the year		
Finished Goods	145.14	120.58
Stock in Trade- Goods	-	-
Work in process	202.72	260.11
	347.86	380.69
Less: Inventory at the end of the year		
Finished Goods	93.21	145.14
Stock in Trade- Goods	-	-
Work in process	192.63	202.72
	285.84	347.86
Total	62.02	32.83

32 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Salaries, wages, bonus and allowances	1,124.31	995.13
Contribution to Provident and other funds (Refer Note 37)	68.97	66.69
Gratuity and other defined benefit plans	28.24	26.36
Staff welfare expenses	13.83	16.04
Total	1,235.35	1,104.22

33 FINANCE COSTS

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Interest expense on financial liabilities measured at amortised cost :		
- on borrowings	20.00	68.27
- on lease liabilities (Refer Note 36)	0.50	0.15
- on bill discounting	53.49	56.39
- other Interest cost	0.08	0.01
Other borrowing cost	3.25	3.26
Total	77.32	128.08

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

34 OTHER EXPENSES

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Power and Fuel Charges	153.94	157.21
Carriage Inwards Expenses	26.62	22.61
Processing Charges	229.62	217.59
Consumption of stores and spares	55.07	32.72
Testing Calibration and Development Charges	16.19	12.15
Repairs and Maintenance	86.79	76.73
Advertisement & Sales promotion	1.38	2.26
Carriage & Octroi (Outward)	34.02	27.84
Rent (Refer Note 36)	11.59	12.30
Rates and Taxes	4.01	1.86
Payments to Auditors		
- Statutory Audit Fees (Including Limited review)	4.58	0.83
- Tax Audit Fees	0.33	0.33
- Other Services	0.02	0.69
- Out of Pocket expenses	0.19	-
Legal and Professional Fee*	12.04	47.40
Communication Costs	2.83	2.50
Travelling and Conveyance Expenses	18.68	15.17
Vehicle Running & Maintenance	19.07	19.88
Insurance	10.10	10.16
Provision for bad and doubtful debts	-	1.15
Sitting Fees to non-executive directors (refer note 42)	0.83	0.91
Corporate Social Responsibility Expenses (Refer Note 44)	6.76	6.04
Foreign Exchange Fluctuation Loss (Net)	-	0.05
Loss on disposal of property, plant and equipment (net)	2.19	-
Property, plant and equipment written off	8.77	-
Miscellaneous Expenditure	28.96	34.48
Total	734.58	702.87

* excluding Professional fee of ₹ Nil (Previous year ₹7.50 Million) paid to the Statutory Auditors of the Company towards IPO.

35 EARNING PER SHARE (EPS)

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earnings are stated below :

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Basic & Diluted Earnings per share :		
Profit/(Loss) for the year	127.39	211.55
Profit/(Loss) attributable to ordinary shareholders (A)	127.39	211.55
Weighted average number of ordinary shares (B)	4,96,59,220	4,43,60,013
Face value per Share	₹ 5/-	₹ 5/-
Earnings per share - Basic & Diluted (A/B) - ₹	2.57	4.77

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

36 DISCLOSURE WITH RESPECT TO IND AS 116 - LEASES

Company as a leasee

The Company has lease contracts for several industrial lands. These lease arrangements range for a period between 48 years to 96 years and includes escalation clause. The Company also has leases for warehouse premises with lease terms of 12 months or less and leases of low value. The Company has applied the 'short term lease' and 'lease of low-value-assets' recognition exemption for these leases.

The carrying amount of right-of-use assets recognized and the movement during the year in disclosure in Note 3

The carrying amount of lease liabilities and the movement during the year is given below

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance as at beginning of the year	5.15	1.97
Additions	-	3.11
Payment of lease liabilities	(0.50)	(0.08)
Accretion of interest	0.51	0.15
Balance as at end of the year	5.16	5.15
Current Liabilities	0.06	0.06
Non-Current Liabilities	5.10	5.09
Total cash outflow for leases	(0.50)	(0.08)

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. Such lease liabilities are related to Leasehold lands having maturity period of more than 5 year. The maturities analysis of lease liabilities is disclosed in Note 45. Lease liability has been discounted using the lessee's incremental borrowing rate. There are no variable lease payments.

The effective interest rate for lease liabilities is 8% and 8.75%, with maturity between 2059 to 2111.

The table below provides details regarding amounts recognized in the Standalone Statement of Profit and Loss:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Expenses relating to short-term leases and/or leases of low-value items (Refer Note 34)	11.59	12.30
Interest on lease liabilities (Refer Note 33)	0.51	0.15
Depreciation expense (Refer Note 3)	0.08	0.01
Total	12.18	12.47

The Company had total cash outflows for leases of ₹ 12.09 Millions (31st March, 2023: ₹ 12.38 Millions)

37 THE COMPANY HAS RECOGNIZED THE FOLLOWING AMOUNTS IN THE STANDALONE FINANCIAL INFORMATION AS PER IND AS - 19 "EMPLOYEES BENEFITS":

A) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized are charged to the Standalone Statement of Profit and Loss for the year as under :

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Employer's Contribution to Provident Fund (Refer Note 32)	56.58	54.98
Employer's Contribution to Employee State Insurance (Refer Note 32)	10.51	10.84
Employer's Contribution to National Pension Scheme (Refer Note 32)	1.88	0.87

b) Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service get a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereon in excess

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

of 6 months. The Company makes contributions to the Elin Employees Company Gratuity Trust. The Trustees of Elin Employees Company Gratuity Trust are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law. The Company aims to keep annual contributions to the trust relatively stable at a level such that no significant gap arises between plan assets and liabilities.

The employees' gratuity fund scheme is managed by Kotak Mahindra Life Insurance Limited, Bajaj Allianz Life Insurance Co. Ltd, Tata Aia Life Insurance Co Ltd and Reliance Nippon Life Insurance Co. Ltd. which 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 employees' leave-encashment scheme is managed by HDFC Life Insurance Company Limited which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method and is recognised on the basis of eligible leave balances of employees' as on valuation date.

Actuarial assumptions

Particulars	Gratuity (Funded)		Leave Encashment	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Discount rate (per annum)	7.20%	7.45%	7.20%	7.45%
Attrition Rate	4.00%	4.00%	4.00%	4.00%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%
Average remaining working lives of employees (Years)	23.21	24.08	-	-
Retirement age (years)	58.00	58.00	58.00	58.00
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14

A reconciliation of opening and closing balance of present value of the obligations :

Present value of obligation as at the beginning of the year	132.83	124.05	15.84	14.64
Interest Cost	9.90	8.68	1.21	1.02
Current Service Cost	12.70	11.24	15.28	14.22
Benefits paid	(8.39)	(5.72)	(2.25)	(3.33)
Actuarial (gain)/ loss on obligations	12.32	(5.42)	(10.64)	(10.72)
Present value of obligation as at the end of the year	159.36	132.83	19.44	15.84

A reconciliation of opening and closing balance of the fair value of plan assets :

Fair value of plan assets at beginning of the year	138.27	129.37	7.43	7.14
Actual return of plan assets	10.30	9.06	0.56	0.50
Employer contribution	14.50	11.70	2.25	3.33
Benefits paid	(8.40)	(5.73)	(2.26)	(3.33)
Actuarial gain/ (loss) on obligations	5.96	(6.14)	0.03	(0.21)
Fair value of plan assets at the end of year	160.63	138.26	8.01	7.43

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

Other Comprehensive Income				
Actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-
Actuarial gains and losses arising from changes in financial assumptions	134.41	(4.57)	0.13	(0.41)
Remeasurement (Gain)/ Loss arising from Experience Adjustment	(122.09)	(0.85)	(10.77)	(10.31)
Changes in the effect of limiting a net defined benefit asset to the asset ceiling, excluding amounts included in interest.	(5.96)	6.14	0.03	(0.21)
Actuarial (gain) / loss recognized in OCI	6.36	0.72	(10.61)	(10.93)
The amounts to be recognized in Standalone Statement of Assets and Liabilities :				
Present value of obligation as at the end of the year	159.36	132.83	19.44	15.84
Fair value of plan assets as at the end of the year	160.63	138.26	8.01	7.43
Net (asset)/ liability recognized in Standalone Ind AS Balance Sheet	(1.27)	(5.43)	11.43	8.41
Expenses recognized in Standalone Statement of Profit and Loss :				
Current service cost	12.70	11.24	15.29	14.22
Net Interest Cost	(0.40)	0.37	0.65	0.52
Expenses recognized in the Standalone statement of profit and loss	12.30	11.61	15.94	14.74

Sensitivity analysis of the defined benefit obligation:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

<u>Impact of the change in Discount Rate</u>				
Present Value of Obligation at the end of the year	159.36	132.83	19.44	15.84
Impact due to increase of 1%	(10.75)	(9.14)	(0.85)	(0.80)
Impact due to decrease of 1%	12.45	10.60	1.30	0.95
<u>Impact of the change in Withdrawal Rate</u>				
Present Value of Obligation at the end of the year	159.36	132.83	19.44	15.84
Impact due to increase of 1%	1.94	1.89	0.36	0.21
Impact due to decrease of 1%	(2.21)	(2.16)	(0.12)	(0.23)

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

<u>Impact of the change in salary increase</u>				
Present Value of Obligation at the end of the year	159.36	132.83	19.44	15.84
Impact due to increase of 1%	11.74	10.07	1.23	0.89
Impact due to decrease of 1%	(10.37)	(8.83)	(0.80)	(0.77)

The weighted average duration of the defined benefit obligation at the end of the reporting period is 8 years (31st March, 2023: 9 years).

Maturity profile of defined benefit obligation:

Year 1	25.67	21.11	9.38	7.86
Year 2	11.09	9.67	0.72	0.70
Year 3	15.29	9.37	0.99	0.63
Year 4	14.19	13.17	0.88	0.83
Year 5	19.50	12.29	1.11	0.72
Year 6 to 10	61.62	60.19	4.55	4.20

Estimated amount of contribution to gratuity in the immediate next year is ₹13.12 Million (31st March, 2023 ₹ 11.68 Million)

Investment Details

Funds managed by Insurance Companies	159.95	137.34	8.02	7.43
Cash / Bank Balance	0.69	0.93	-	-

Note: The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuarial Valuer.

38 INFORMATION REQUIRED TO BE FURNISHED AS PER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (THE ACT):

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
1. Principal amount remaining unpaid to micro & small enterprises*	186.33	224.67
2. Interest due on above	0.01	-
3. Interest paid during the period beyond the appointed day	-	-
4. Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
5. Amount of interest accrued and remaining unpaid at the end of the period	0.01	-
6. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note: The above information and that given in Note 24' Trade Payables' regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

39 COMMITMENTS AND CONTINGENCIES

(a) Contingent Liabilities not provided for in respect of :

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
(i) Unexpired Letters of Credit	28.27	47.27
(ii) Guarantees given by banks on behalf of the Company	79.42	48.76
(iii) Claims against the Company not acknowledged as debt		
¹ - Sales tax matters	0.60	1.75
¹ - Goods and service tax matters	2.59	1.68
¹ - Custom duty matters	1.26	1.26
¹ - Employees related matters	8.22	8.01

Notes:

- The Company's pending litigations comprise of claims against the Company and proceedings pending with Government Authorities. The Company has reviewed all its pending litigations and proceedings and believes that they have sufficient and strong arguments on facts as well as on point of law and accordingly no provision has been considered in the financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.
- The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, The Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.
- The Company does not have outstanding term derivative contracts as at the end of respective years.
- There were no amounts which were required to be transferred to the investor Education and Protection fund by the Company at the end of respective years.

(b) Capital Commitments

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	52.94	19.68

40 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. Certain sections of the Code came into effect on 3rd May, 2023. However the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

41 RESEARCH & DEVELOPMENT (R&D) EXPENDITURE

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
Revenue Expenditure	82.60	65.41
Capital Expenditure	1.10	4.65
Total	83.70	70.06

41.1 Capital expenditure incurred on R&D is included in the Property Plant and Equipment and depreciation is provided on the same at respective applicable rates.

41.2 Revenue expenditure incurred on R&D has been shown under respective Expense head in the Statement of Profit and loss.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

42 "RELATED PARTY DISCLOSURES" AS REQUIRED BY IND AS - 24 :

(i). Name and description of related parties.

Relationship	Name of Related Party	
(a) Key management personnel :	Mr. M.L.Sethia	(Chairman)
	Mr. Kamal Sethia	(Managing Director)
	Mr. Sanjeev Sethia	(Whole Time Director - EMS)
	Mr. Sumit Sethia	(Whole Time Director - Goa Operation)
	Mr. Kishore Sethia	(Key Managerial Personal)
	Mr. Raj Karan Chhajer	(Chief Financial Officer)
	Mr. Avinash Karwa	(Company Secretary and Compliance Officer) (Ceased w.e.f. 14 th Jun'2022)
	Ms.Lata Rani Pawa	(Company Secretary and Compliance Officer) (w.e.f. 14 th Jun'2022)
	Mr. Kamal Singh Baid	(Non Executive Independent Director)
	Ms. Shilpa Baid	(Non Executive Independent Director)
	Mr. Shantilal Sarnot	(Non Executive Independent Director)
	Mr. Ashis Chandra Guha	(Non Executive Independent Director)
	(b) Relative of Key management personnel :	Ms. Kanika Sethia
Late Suman Sethia		
Ms. Vasudha Sethia		
Ms. Kanchan Sethia		
Mr. Vijay Singh Sethia		
Ms. Shweta Sethia		
Mr. Sushil Kumar Sethia		
(c) Post Employment Benefit Plans	Elin Employees Company Gratuity Trust	
(d) Enterprises owned or Significantly influenced by key management personnel or their relatives.	Kanchan Commercial Co. Pvt. Ltd.	
	Elin Appliances Private Limited	
	Magtronic Devices Pvt. Ltd.	
	Sethia Oil Industries Limited	
	Kamal Sethia & Sons HUF	
	Vijay Singh Sethia And Sons HUF	
	Sushil Kumar Sethia & Sons HUF	

* As per section 2(51) of Companies Act 2013

Note: Related party relationship is as identified by the Company and relied upon by the auditors

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

- (ii). Nature of transactions - The transactions entered into with the related parties during the year along with related balances as at respective years are as under:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchases/receiving of Goods & services		
Elin Appliances Private Limited	0.98	1.12
Sales/rendering of Goods and Materials		
Elin Appliances Private Limited	327.69	419.54
Sethia Oil Industries Ltd.	-	-
Purchase of Property, Plant and Equipment		
Elin Appliances Private Limited	3.36	-
Sale of Property, Plant and Equipment		
Elin Appliances Private Limited	13.36	3.52
Income - Rent /Other income		
Magtronic Devices Pvt. Ltd.	0.36	0.36
Elin Appliances Private Limited	0.12	-
Expenses - Rent /Other expenses		
Kanchan Commercial Co. Pvt.Ltd.	0.60	0.60
Elin Appliances Private Limited	3.84	3.84
Closing Balances of Receivables		
Elin Appliances Private Limited	104.68	48.44
Contribution towards Gratuity Liabilities		
Elin Electronics Limited Employees Company Gratuity Trust	14.50	11.70
Sitting Fees to non-executive directors		
Short term employee benefits		
Mr. Kamal Singh Baid	0.32	0.41
Ms. Shilpa Baid	0.22	0.24
Mr. Shantilal Sarnot	0.17	0.18
Mr. Ashis Chandra Guha	0.12	0.08
Remuneration of Key Management Personnel *		
Mr. M.L. Sethia	3.64	3.64
Mr. Kamal Sethia	8.48	8.47
Mr. Kishore Sethia	8.48	8.47
Mr. Sanjeev Sethia	8.48	8.47
Mr. Sumit Sethia	9.32	9.41
Mr. Raj Karan Chhajer	2.53	2.44
Mr. Avinash Karwa	-	0.49
Ms. Lata Rani Pawa	1.30	1.01
Dividend paid to Key Management Personnel		
Mr. Kamal Sethia	1.53	2.23
Mr. Kishore Sethia	2.51	3.64
Mr. Sanjeev Sethia	0.94	0.92
Mr. Sumit Sethia	0.59	0.86
Dividend paid to Relatives of Key Management Personnel		
Kanika Sethia	0.15	0.15
Late Suman Sethia	2.72	3.96
Vasudha Sethia	0.74	1.08
Kanchan Sethia	0.69	1.18
Vijay Singh Sethia	0.38	0.69
Shweta Sethia	0.08	0.11
Sushil Kumar Sethia	0.32	0.47
Kamal Sethia & Sons Huf	0.18	0.27
Vijay Singh Sethia and Sons Huf	0.02	0.14

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sushil Kumar Sethia & Sons (Huf)	0.01	0.01
Payable to Key Management Personnel (Selling Shareholders)		
Mr. Kamal Sethia	-	0.53
Mr. Kishore Sethia	-	0.86
Mr. Vinay Kumar Sethia	-	0.15
Mr. Sumit Sethia	-	0.21
Mr. Gaurav Sethia	-	0.78
Mr. Pradeep Sethia	-	0.23
Ms. Priyanka Sethia	-	0.43
Payable to Relatives of Key Management Personnel (Selling Shareholders)		
Vasudha Sethia	-	0.26
Late Suman Sethia	-	0.94
Kanchan Sethia	-	0.37
Vijay Singh Sethia	-	0.23
Santosh Sethia	-	0.19
Shweta Sethia	-	0.03
Deepak Sethia	-	0.19
Deepak Sethia And Sons	-	0.00
Sushil Kumar Sethia	-	0.11
Kamal Sethia & Sons Huf	-	0.06
Vijay Singh Sethia and Sons Huf	-	0.09
Sushil Kumar Sethia & Sons (Huf)	-	0.00
Payable of Sitting Fees to non-executive directors		
Mr. Kamal Singh Baid	0.12	0.08
Ms. Shilpa Baid	0.06	0.02
Mr. Shantilal Sarnot	0.08	0.04
Mr. Ashis Chandra Guha	0.05	-
Payable to Key Management Personnel (Remuneration)		
Mr. Sumit Sethia	0.35	0.31

* Liability for post employment benefits, other long term benefits, termination benefits and certain short term benefits such as compensated absences and Gratuity is provided on an actuarial basis for the Company as a whole. Accordingly the amount for above pertaining to key management personnel is not ascertainable and, therefore, not included above.

The transactions for the year do not include reimbursement of IPO related expenses and its outstanding payable balances, incurred on behalf of related parties as selling shareholders in Offer for Sale. Refer note 51 of the financial statements for detailed note on IPO and expenses incurred by the Company and allocated to selling shareholders.

Terms and conditions of transactions with related parties :

- The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March, 2023: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

43 SEGMENT REPORTING

The Company is engaged in manufacturing of Electronics Manufacturing items. The Board of directors of Elin Electronics Limited takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker. During the year under consideration, the Company operated in a single primary segment in manufacturing of Electronics Manufacturing Services.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

The said treatment is in accordance with the guiding principles enacted in Indian Accounting Standard 108 Operating Segments (IND AS 108). Accordingly the Company has disclosed segment information for its secondary segment which is the geographical segment as below:

Geographical Information

Accordingly the Company has disclosed segment information

The geographical information analyses the Company's revenues by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Company's consolidated revenues and receivables by geographical market, regardless of where the goods were produced:

Information by Geographical	For the year ended March 31, 2024	For the year ended March 31, 2023
i. Revenue from external customers		
India	8,327.74	8,633.47
Outside India	23.79	36.49
Total revenue*	8,351.53	8,669.96
ii. Non-current operating assets**		
India	1,992.04	2,004.64
Outside India	-	-
Total	1,992.04	2,004.64
iii. Addition to property, plant and equipment and intangible assets		
India	156.60	561.56
Outside India	-	-
Total	156.60	561.56

*The revenue information above is based on the locations of the customers.

**Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, capital work-in-progress, capital advances and intangible assets.

c. Information about major customers (from external customers)

Revenue of approximately ₹ 3,542 Millions 42% (FY 2022-2023: ₹ 3,930 Millions 45%) are derived from 2 Nos. (FY 2022-2023: 2 Nos.) external customers which individually accounted for more than 10%.

44 CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Gross amount required to be spent by the Company during the year	6.69	6.01
b) Amount approved by the Board to be spent during the year	6.69	6.01
c) Amount spent during the year ending :		
In cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above*	6.76	6.04
Yet to be paid in cash		
i) Construction/acquisition of any asset"	-	-
ii) On purposes other than (i) above"	-	-
Unspent amount deposited in separate bank account		
d) Details related to spent / unspent obligations		
i) Contribution to Public Trust	-	-

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
ii) Contribution to Charitable Trust / other CSR activities undertaken by the Company	6.76	6.04
iii) Unspent amount in relation to:"	-	-
-Ongoing project	-	-
- Other than ongoing project	-	-
Total unspent amount	-	-
The Company during the year executed following project under Corporate Social Responsibility :		
i) Promotion of Education (Other than ongoing project)		
ii) On promoting health care including preventive health care and sanitation (Other than ongoing project)		
iii) Protection of flora and fauna, animal welfare (Other than ongoing project)		
iv) On promoting National & Rural Sports (Other than ongoing project)		
Details of ongoing project and other than ongoing project		
In case of Section 135(6) (Ongoing project)		
Opening Balance		
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
Amount required to be spent during the year	-	-
Amount spent during the year		
- From Company's bank A/c *	-	-
- From Separate CSR Unspent A/c	-	-
Closing Balance		
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
In case of Section 135(5) (Other than ongoing project)		
Opening Balance	-	-
Amount deposited in Specified Fund of Sch. VII within 6 months	-	-
Amount required to be spent during the year	6.69	6.01
Amount spent during the year	6.76	6.04
Closing Balance	-	-

*The Company during the year has spent more than the required amount

45 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and lease liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents, trade and other receivables that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks 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 reflect changes in market conditions and the Company's activities.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

45.1 Financial Instruments by category

The carrying amount of the Company's financial instruments is as below:

Particulars	As at 31 st March, 2024			As at 31 st March, 2023		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
(i) Investments- Equity Instruments (level 2) (Non Current)						
- Non Current	-	14.00	-	-	-	-
(ii) Investments- Mutual Funds (level 1) (Current)						
- Current	613.20	-	-	260.11	-	-
(iii) Trade receivables	-	-	1,402.72	-	-	1,443.47
(iv) Cash and cash equivalents	-	-	2.08	-	-	3.81
(v) Bank balances other than (iv) above	-	-	334.53	-	-	992.70
(vi) Loans	-	-	-	-	-	1.60
(vii) Other Financial Assets						
- Non Current	-	-	56.07	-	-	357.63
- Current	-	-	38.03	-	-	23.24
Total financial assets	613.20	14.00	1,833.43	260.11	-	2,441.58
Financial liabilities						
(i) Borrowings						
- Non Current	-	-	-	-	-	395.91
- Current (including current maturities of long term borrowings)	-	-	7.29	-	-	250.73
(ii) Lease Liabilities						
- Non Current	-	-	5.10	-	-	5.09
- Current	-	-	0.06	-	-	0.06
(iii) Supplier's credit	-	-	20.18	-	-	-
(iv) Trade payables	-	-	767.70	-	-	1,022.66
(v) Other financial liabilities	-	-	87.69	-	-	118.86
Total Financial liabilities	-	-	888.02	-	-	1,793.31

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Standalone financial statements is determined on such a basis that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

Level I: includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level II: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Company's management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Fair value hierarchy

The disclosure of the financial instruments measured at fair value and valuation technique are as follows:

Particulars	Fair value hierarchy	As at	As at
		31 st March, 2024	31 st March, 2023
Financial assets			
Non current investments - unquoted	Level III	14.00	-
Current investments - quoted	Level I	613.20	260.11

Valuation Process

The finance department of the Company includes a team that performs the valuation of financial assets and liabilities required for financial reporting purposes. Changes in level 2 and 3 fair values are analysed at the end of each reporting period. There are no transfers between levels in the fair value hierarchy during the year.

In determining fair value measurement, the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets and liabilities in the financial statements has been considered. These risks in respect of climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount, These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

Significant estimates:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period."

45.2 Management of Financial Risk**A. Liquidity risk**

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company has also entered into supply chain finance arrangement to smoothen the payment process of the suppliers. Although the payment terms are not significantly extended beyond the normal credit terms agreed upon with other suppliers, the arrangement helps in making the cashflows more predictable.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the year closing date.

	Notes Nos.	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
As at 31st March, 2024						
Borrowings (excluding lease liabilities)	21, 23	7.29	7.29	-	-	7.29
Lease Liabilities	36	5.16	0.38	1.93	41.46	43.77
Supplier's credit		20.18	20.18	-	-	20.18
Trade payables	24	767.70	767.70	-	-	767.70
Other financial liabilities	25	87.69	87.69	-	-	87.69
As at 31st March, 2023						
Borrowings (excluding lease liabilities)	21, 23	646.64	250.73	395.91	-	646.64
Lease Liabilities	36	5.15	0.37	1.92	41.86	44.14
Supplier's credit		-	-	-	-	-
Trade payables	24	1,022.66	1,022.66	-	-	1,022.66
Other financial liabilities	25	118.86	118.86	-	-	118.86

B. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI & FVTPL investments. Market risk comprises three types of risks as follows:

i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company 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 following table provides a break-up of the Company's fixed and floating rate borrowings

a. Interest rate risk exposure

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Financial assets		
Variable rate borrowings	7.29	67.82
Fixed rate borrowings	-	578.82

b. Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

The details of the Company's sensitivity to a 1% increase and decrease in interest rate are as follows:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Impact on profit & loss for the year	0.07	0.68
Impact on total equity as at the end of reporting year	0.05	0.51

Impact on profit for the year are gross of tax and impact on total equity is net of tax

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

ii) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when certain purchases and trade payables are denominated in a foreign currency). The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, CNY and JPY. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities denominated in a currency that is not the Company's functional currency

The Company undertakes transactions denominated in foreign currencies and consequently, exposes to exchange rate fluctuations. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

The foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars		As at	As at
		31 st March, 2024	31 st March, 2023
Trade payable	USD/₹	78.03	70.20
	Amount in FC	0.94	0.84
	JPY/₹	0.71	-
	Amount in FC	1.28	-
Trade receivable	USD/₹	11.67	18.10
	Amount in FC	0.14	0.22

Foreign currency sensitivity analysis:

The following details are demonstrate The Company's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity and vice-versa.

Impact on Profit or Loss		As at	As at
		31 st March, 2024	31 st March, 2023
₹ strengthens by 5%	USD Impact	3.32	2.61
	JPY Impact	0.04	-
₹ weakening by 5%	USD Impact	(3.32)	(2.61)
	JPY Impact	(0.04)	-

iii) Commodity price risk

Commodity price risk arises from fluctuations in the prices of copper, plastic, and aluminum. The Company has a risk management framework aimed at prudently managing the risks associated with the volatility in commodity prices. The Company has transferred any change in commodity prices to the customer. Therefore, there is no significant impact from changes in commodity prices in profit & loss..

C. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company established policy, procedures and control relating to customer credit risk management. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables. The utilization of credit limits is regularly monitored.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 45. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. An impairment analysis is performed at each reporting date for all customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 13.

As at 31st March, 2024

Ageing	0-180 days	181-365 days	More than 365 days	Total
Gross Carrying amount	1,402.31	1.24	0.57	1,404.12
Expected loss rate	0.09%	0.10%	17.77%	
Expected credit losses (loss allowance provision)	1.30	0.00	0.10	1.40
Carrying amount of trade receivables (net of impairment)	1,401.01	1.24	0.47	1,402.72

As at 31st March, 2023

Ageing	0-180 days	181-365 days	More than 365 days	Total
Gross Carrying amount	1,438.94	4.58	1.49	1,445.00
Expected loss rate	0.10%	0.10%	9.22%	
Expected credit losses (loss allowance provision)	1.39	0.00	0.14	1.53
Carrying amount of trade receivables (net of impairment)	1,437.55	4.57	1.35	1,443.47

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

None of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

46 CAPITAL MANAGEMENT

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and Maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor and creditors confidence.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents.

The following table provides detail of the debt and equity at the end of the reporting period :

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Gross Debt	7.29	646.64
Less : Cash and Cash equivalents (Note 14)	2.08	3.81
Net Debt (A)	5.21	642.83
Total Equity (B)	4,300.44	4,219.51
Net Debt to Equity Ratio (A/B)	0.00	0.15

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2024 and 31st March, 2023.

47 TAX RECONCILIATION

The major components of income tax expense for the years ended 31st March, 2024 and 31st March, 2023 are:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Profit or loss section		
Current tax	50.30	60.89
Adjustment of tax relating to earlier period	4.65	-
Deferred Tax	(0.42)	4.40
Income tax expense reported in the statement of profit and loss	54.53	65.29
OCI section		
Tax expense on items that will not be reclassified to profit or loss	(1.08)	(2.52)
	(1.08)	(2.52)

Reconciliation between average effective tax rate and applicable tax rate

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Profit as per standalone statement of profit and loss (before tax)	181.92	276.84
Income tax using the Company's domestic tax rate @ 25.168%	45.79	69.67
Adjustments in respect of current income tax of previous years	4.65	-
Non-deductible expenses for tax purposes:		
Impact of taxable of Capital gain at lower rate	0.16	(0.08)
Non deductible expenses	3.93	(4.30)
Total	54.53	65.29

48 RATIO ANALYSIS AND ITS ELEMENTS

Ratios/Measure	Numerator	Denominator	31 st March, 2024	31 st March, 2023	Variation
a) Current ratio	Current Assets	Current Liabilities	3.23	2.56	26.11%
b) Debt equity ratio	Net Debt (including lease liabilities)	Shareholder's Equity	0.00	0.15	(98.43%)
c) Debt service coverage ratio	Earnings for debt service	Total Debt	5518.94%	77.61%	7011.47%
d) Return on equity %	Net Profits after taxes	Average Shareholder's Equity	2.99%	6.41%	(53.37%)
e) Inventory turnover ratio	Cost of goods sold	Average Inventory	6.37	5.69	11.99%
f) Trade receivables turnover ratio	Revenue from operations	Average Trade Receivable	5.87	5.39	8.88%
g) Trade payables turnover ratio	Net credit purchases	Average Trade Payables	6.57	6.25	5.05%

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

Ratios/Measure	Numerator	Denominator	31 st March, 2024	31 st March, 2023	Variation
h) Net capital turnover ratio	Revenue from operations	Working capital	361.16%	371.96%	(2.91%)
i) Net profit %	Net Profit	Revenue from operations	1.53%	2.44%	(37.49%)
j) Return on capital employed %	Earnings before interest and taxes	Capital Employed	5.90%	8.18%	(27.92%)
k) Return on investment	Interest (Finance Income)	Average Investment	20.08%	14.08%	42.65%

Notes:-

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

Net Profit after tax” means reported amount of “Profit / (loss) for the period” and it does not include items of other comprehensive income.

Working Capital implies Current Assets less Current Liabilities.

Capital employed refers to sum of tangible net-worth, total debts and deferred tax liability as at close of year.

Net credit purchases = Gross credit purchases - purchase return

Net Debt = Total borrowings including lease liabilities less cash and cash equivalent.

Explanation for variances exceeding 25%

Schedule III requires explanation where the change in the ratio is more than 25% as compared to the preceding year; hence explanation is given only for the said ratios.

- Current ratio is increased due to pending IPO proceeds in Monitoring Account & Bank Deposits.
- Debt equity ratio is reduced due to repayment of borrowings as part of utilization of IPO proceeds during the year.
- Debt service coverage ratio is increased due to repayment of borrowings during the year.
- i, j) Due to lower profitability, Return on equity, Net Profit and Return on capital employed ratio have declined.
- Return on Investment is increased due to investment in Mutual Fund and Fixed deposit made during the year resulting into higher return compared to last year.

49 OTHER STATUTORY INFORMATION

- The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- 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).

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

- vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vii) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- viii) The Company does not have any other charges or satisfaction as on 31st March, 2024 which is yet to be registered with ROC beyond the statutory period.
- ix) Quarterly returns/statements of current assets filed by the Company with banks are generally in agreement with the books of account.

Quarter ending	Bank	Account	Value per books of account	Value per quarterly return/statement	Discrepancy *
Dec-23	Citi Bank, HDFC bank and ICICI Bank	Inventory	984.68	966.27	18.41
Mar-24	Citi Bank, HDFC bank and ICICI Bank	Inventory	840.33	858.55	(18.22)
Dec-23	Citi Bank, HDFC bank and ICICI Bank	Trade Receivable	1,090.79	1,084.02	6.77
Mar-24	Citi Bank, HDFC bank and ICICI Bank	Trade Receivable	1,338.84	1,336.64	2.20
Sep-23	HDFC Bank	Inventory	1,073.09	1,068.72	4.37

*Note: The bank returns were prepared and filed before the completion of all financial statements closure activities which led to these differences between the final books of accounts and the bank returns which were based on provisional books of accounts.

- x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- (xi) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- xii) The Company does not have any transactions with companies which are struck off.

50 PARTICULARS IN RESPECT OF LOANS GIVEN, INVESTMENT MADE OR GUARANTEE GIVEN OR SECURITY PROVIDED AS REQUIRED PURSUANT TO SECTION 186(4) OF COMPANIES ACT, 2013

Nature of Transaction (Loans given / Investment made / Guarantee given / Security provided)	Purpose for which the loan / guarantee / security is proposed to be utilised by the recipient	31 st March, 2024	31 st March, 2023
Loans Given to Others			
ELCINA Electronics Manufacturing Cluster Pvt. Ltd.	To meet the borrower unplanned and out of budget payments. The loan carries interest of 8.75% p.a. and repayable within 12 months.	-	1.60

51 INITIAL PUBLIC OFFERING (IPO)

The Company has completed Initial Public Offer (IPO) of 1,92,30,746 equity shares comprising a fresh issue of 70,85,020 equity shares and offer for sale by selling shareholders of 1,21,45,726 equity shares of face value of ₹ 5 each at premium of ₹ 242 per share aggregating to ₹4,750.00 Million. Pursuant to the IPO, the equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with effect from 30th December, 2022.

As on 31st March, 2023, the Company had incurred ₹ 266.88 Million as IPO related expenses (incl. provision for certain invoices) and allocated such expenses between the Company ₹ 98.48 Million and selling shareholders ₹ 168.40 Million.

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

Such amounts were allocated based on agreement with selling shareholders and in proportion to the total proceeds from the IPO. The Company's share of expenses of ₹ 84.37 Million (net of GST credit of ₹ 14.12 Million) has been adjusted to securities premium. Refer note 20 of the standalone financial statements.

Subsequent to the listing of shares of Company, the IPO related expenses of ₹ 177.64 Million were recovered from the selling shareholders as per the original estimated expenses mentioned in the prospectus filed with RoC. With the finalization of revised issue expenses as mentioned above, sum of ₹ 9.24 Million is payable to selling shareholders at the end of the previous year and shown under current liabilities. Refer note 25 of the standalone financial statements.

Detail of Utilization of IPO Proceeds is as under:

Item Head	Estimated net proceeds as per Prospectus	Revised Net Proceeds	Utilized upto 31 st March, 2024	Unutilized as on 31 st March, 2024
Repayment/ prepayment, in full or part, of certain borrowings availed of by our Company	880.00	880.00	880.00	-
Funding capital expenditure towards upgrading and expanding our existing facilities at (i) Ghaziabad, Uttar Pradesh and (ii) Verna, Goa	375.89	375.89	138.97	236.92
General corporate purposes @	395.63	395.63	395.63	-

@ adjusted based on the final share of company's issue expenses.

IPO proceeds which were unutilized as at 31st March, 2024 were temporarily retained/parked in the Fixed Deposits.

52 The Company has used an accounting software SAP HANA Web Version – Public Cloud which is operated by a third-party software service provider, for maintaining its books of account. The Company is not maintaining the back-up of books of account in servers physically located in India on a daily basis from 1st April, 2023 to 31st March, 2024 in compliance to the Rule 3 of the Companies (Account) Rules, 2014 as backups are performed by the SAP at planned intervals mentioned in the SOC 1 Type 2 for the period 1st April, 2023 to 30th September, 2023.

53 The Company has used an accounting software SAP HANA Web Version – Public Cloud which is operated by a third-party software service provider, for maintaining its books of account. Audit trail feature is not covered in SOC 1 Type 2 report for the period 1st April, 2023 to 30th September, 2023 to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of an accounting software where the audit trail has been enabled.

As per our report of even date attached
For S.R. BATLIBOI & Co. LLP
Chartered Accountants
Firm Reg. No.: 301003E/E300005

Divya Mathur
Partner
M.No.: 506846

Place : Gurgaon
Date : 30th May, 2024

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540

Place : New Delhi
Date : 30th May, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Elin Electronics Limited Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Elin Electronics Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 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 financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 as at March 31, 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 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 Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 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 consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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 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 financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
<p>Revenue recognition – Cut off (as described in Note 2.8 of the consolidated financial statements)</p> <p>Revenue from the sale of goods is recognized at the moment when control has been transferred to the customer and is measured net of trade discounts, rebates and pricing allowances to customers.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Holding Company and its subsidiary. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being recognized before control has been transferred.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. We tested on a sample basis, key customer contracts to identify terms and conditions relating to transfer of control. We performed substantive testing by selecting samples of revenue transactions recorded during the year by testing the underlying documents which included invoices, good dispatch notes, customer acceptances and shipping documents (as applicable). We carried out analytical procedures on revenue recognised during the year to identify unusual variances. We tested, on a sample basis, specific revenue transactions recorded closer to the year end and after the financial year end date to determine whether the revenue had been recognised in the appropriate period.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in 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 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of 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 are also responsible for overseeing the financial reporting process of their respective companies.

Independent Auditor's Report (Contd.)

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report (Contd.)

OTHER MATTER

- (a) The consolidated financial statements of the Company for the year ended March 31, 2023, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 30, 2023.

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 paragraph 3(xi) 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 of the aforesaid consolidated 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 except that with respect to Holding Company and its Subsidiary as disclosed in note 52 and note 53 to the consolidated financial statements, (a) the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis and (b) for the matters stated in the paragraph 2 (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 financial statements;
 - (d) In our opinion, the aforesaid consolidated 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

March 31, 2024 taken on record by the Board of Directors of the Holding Company and subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2 (b) above on reporting under Section 143(3)(b) and paragraph 2 (i) (vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of the internal financial controls with reference to consolidated 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;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company and its subsidiary incorporated in India to their 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, as noted in the 'Other matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 38 to the consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India during the year ended March 31, 2024.
 - iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated

Independent Auditor's Report (Contd.)

- in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 subsidiary ("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 subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary 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, nothing has come to our 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 and its subsidiary company incorporated in India during the year in respect of the same declared for the previous year in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- vi) Based on our examination which included test checks and that performed by us in respect to Subsidiary which is incorporated in India whose financial statements have been audited under the Act, and as explained in note 53 to the Consolidated financial statements, the Holding Company and its Subsidiary, has used an accounting software which is operated by a third-party software service provider, for maintaining its books of account. Since, the verification of audit trail feature is not covered in the SOC 1 Type 2 report, we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of an accounting software where the audit trail has been enabled.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Divya Mathur

Partner

Membership Number: 506846

UDIN: 24506846BKGWJK2231

Place of Signature: Gurgaon

Date: May 30, 2024

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE OF ELIN ELECTRONICS LIMITED (“the Holding Company”).

In terms of the information and explanations sought by us and given by Holding 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:

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/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Elin Electronics Limited	L29304DL1982PLC428372	Holding Company	(ii)(b)
2	Elin Appliances Private Limited	U29300DL2002PTC425099	Subsidiary Company	(ii)(b)

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Per Divya Mathur

Partner

Membership Number: 506846

UDIN: 24506846BKGWJK2231

Place of Signature: Gurugram

Date: May 30, 2024

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ELIN ELECTRONICS LIMITED

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 financial statements of Elin Electronics Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of 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 consolidated 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated 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 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 FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or

ANNEXURE 2 (Contd.)

fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Group, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal 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 Divya Mathur

Partner

Membership Number: 506846

UDIN: 24506846BKGWJK2231

Place of Signature: Gurgaon

Date: May 30, 2024

Consolidated Balance Sheet

as at 31st March, 2024

(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	Note No(s)	As at 31 st March, 2024	As at 31 st March, 2023
Assets			
Non-current Assets			
(a) Property, Plant and Equipment	3	2,230.16	2,312.59
(b) Capital work-in-progress	4	119.39	0.91
(c) Intangible assets	5	5.80	11.15
(d) Financial Assets			
(i) Investments	6	14.74	0.74
(ii) Other Financial Assets	7	56.76	358.32
(e) Other non-current assets	9	31.15	45.95
Total Non Current Assets		2,458.00	2,729.66
Current Assets			
(a) Inventories	10	1,105.28	1,234.27
(b) Financial Assets			
(i) Investments	11	618.10	264.70
(ii) Trade receivables	12	1,994.41	1,974.11
(iii) Cash and cash equivalents	13	2.22	3.94
(iv) Bank balances other than (iii) above	14	334.84	992.70
(v) Loans	15	-	1.60
(vi) Other Financial Assets	16	38.71	25.02
(c) Current Tax Assets (net)	17	0.81	14.94
(d) Other current assets	18	139.84	100.79
Total Current Assets		4,234.21	4,612.07
Total Assets		6,692.21	7,341.73
Equity and Liabilities			
Equity			
(a) Equity Share Capital	19	239.63	239.63
(b) Other Equity	19	4,791.36	4,691.35
Total Equity		5,030.99	4,930.98
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	-	395.91
(ii) Lease liabilities	35	5.10	5.09
(b) Provisions	21	-	9.74
(c) Deferred tax liabilities (Net)	8	111.92	103.59
Total Non Current Liabilities		117.02	514.33
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	114.76	382.56
(ii) Lease Liabilities	35	0.06	0.06
(iii) Supplier's credit		77.08	-
(iv) Trade payables			
- total outstanding dues of micro and small enterprises	23	272.73	320.44
- total outstanding dues of creditors other than micro and small enterprises	23	812.45	948.62
(iv) Other financial liabilities	24	98.89	132.75
(b) Other current liabilities	25	124.63	84.83
(c) Provisions	26	39.67	24.78
(d) Current Tax liabilities (Net)	17	3.93	2.38
Total Current Liabilities		1,544.20	1,896.42
Total Liabilities		1,661.22	2,410.75
Total Equity and Liabilities		6,692.21	7,341.73

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
For S.R. BATLIBOI & Co. LLP
Chartered Accountants
Firm Reg. No.: 301003E/E300005

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Divya Mathur
Partner
M.No.: 506846

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 30th May, 2024

Place : Gurgaon
Date : 30th May, 2024

Consolidated Statement of Profit & Loss

for the year ended 31st March, 2024

(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	Note No(s)	For the Year ended 31 st March, 2024	For the Year ended 31 st March, 2023
I INCOME			
Revenue from operations	27	10,417.17	10,754.28
Other Income	28	91.07	22.67
Total Income (I)		10,508.24	10,776.95
II EXPENSE			
Cost of Material Consumed	29	7,439.76	7,800.60
Purchases of stock-in-trade		183.61	184.46
Change in inventories of finished goods, work-in progress and stock-in-trade	30	82.78	(17.73)
Employee benefits expense	31	1,479.72	1,337.19
Finance Costs	32	81.16	130.62
Depreciation & amortization expenses	3, 5	218.49	186.10
Other Expenses	33	825.89	798.68
Total Expenses (II)		10,311.40	10,419.92
III Profit before tax (I - II)		196.83	357.03
IV Tax expenses			
- Current tax		52.40	79.39
- Adjustment of tax relating to earlier period		4.46	0.52
- Deferred Tax		1.23	9.09
Total tax expenses		58.09	89.00
V Profit for the year (III-IV)		138.74	268.03
VI Other comprehensive Income (OCI):			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		12.30	9.08
Tax expense on items that will not be reclassified to profit or loss		(3.10)	(2.29)
Items that will be reclassified to profit or loss			
Gain/(Loss) on Equity Instruments designated through OCI		-	0.16
Tax expense on items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year after tax		9.20	6.95
VII Total comprehensive income for the year net of tax (V + VI)		147.94	274.98
VIII Earnings per share from continuing and total operations attributable to the equity holders of the Company [face value of ₹ 5/- each]	34		
- Basic and diluted (amount in ₹)		2.90	6.29
The accompanying notes form an integral part of the consolidated financial statements			

As per our report of even date attached

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

Firm Reg. No.: 301003E/E300005

Divya Mathur

Partner

M.No.: 506846

Place : Gurgaon

Date : 30th May, 2024

For and on behalf of the Board

Kamal Sethia

Managing Director

DIN: 00081116

Raj Karan Chhajer

Chief Financial Officer

PAN: AAAPC0561C

Sanjeev Sethia

Whole Time Director

DIN: 00354700

Lata Rani Pawa

Company Secretary and

Compliance Officer

M.No.: A30540

Place : New Delhi

Date : 30th May, 2024

Consolidated Statement of Cash Flows

for the year ended 31st March, 2024

(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	For the Year ended 31 st March, 2024	For the Year ended 31 st March, 2023
I. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax	196.83	357.03
Adjustments for :		
Depreciation and amortization expenses	218.49	186.10
(Gain)/Loss on disposal of property, plant and equipment (net)	11.20	(2.00)
Fair value (gain) on financial assets held at fair value through profit or loss	(6.08)	(3.15)
(Gain) on sale of current investments measured at FVTPL	(3.74)	(1.76)
Provision for doubtful debt (written back) / written off	(0.01)	0.33
Unrealised Foreign exchange fluctuation Gain (Net)	(0.59)	-
Dividend and interest income	(79.66)	(15.25)
Finance costs	81.16	130.62
	220.77	294.89
Change in operating assets and liabilities :		
(Increase)/decrease in trade and other receivable	0.21	(259.43)
(Increase)/ Decrease in Inventories	128.99	(37.12)
Increase/ (Decrease) in trade and other payables	(82.92)	374.98
	46.28	78.43
Cash generated from operations	463.88	730.35
Income taxes paid (net)	(37.20)	(107.16)
Net cash generated from / (used in) operating activities	426.68	623.19
II Cash flow from Investing activities		
Purchase for property, plant and equipment including CWIP	(330.53)	(512.53)
Purchase for Intangible Assets	-	(11.13)
Proceeds from grant on property, plant and equipment	55.85	-
Proceeds from sale of property, plant and equipment	29.07	15.96
Proceeds from sale of Current Investment	256.43	311.77
Purchase of Current Investment	(600.00)	(560.00)
Purchase of Non Current Investment	(14.00)	-
Deposits made during the year	(2.98)	(1,227.78)
Deposits matured during the year	901.85	5.06
Payment of loan to others	1.60	(1.60)
Dividends received	0.04	0.04
Interest received	66.95	13.23
Net Cash generated from / (used in) investing activities	364.28	(1,966.98)
III Cash flow from Financing Activities		
Proceeds from borrowings	-	250.00
(Repayment) of borrowings	(663.71)	(494.85)
Share issue expenses	-	(26.19)
Proceeds from issue of Share Capital (including Securities Premium)	-	1,750.00
Payment of Dividend	(47.81)	(40.84)

Consolidated Statement of Cash Flows for the year ended 31st March, 2024

(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	For the Year ended 31 st March, 2024	For the Year ended 31 st March, 2023
(Repayment) of lease liabilities (including Principle and Interest)	(0.50)	(0.07)
Finance Costs paid	(80.66)	(130.46)
Net Cash generated from / (used in) financing activities	(792.68)	1,307.59
IV Net increase/(decrease) in cash & cash equivalents (I + II + III)	(1.73)	(36.20)
V Cash and cash equivalents at the beginning of the year	3.94	40.14
VI Cash and cash equivalents at end of the year	2.22	3.94
Notes:		
1	The Consolidated Statement of Cash flow has been prepared under the indirect method as set-out in the Ind AS - 7 "Statement of Cash Flow" as specified in the Companies (Indian Accounting Standards) Rules, 2015.	
2	Figures in bracket indicate cash outflow.	
3	Cash and cash equivalents (refer Note 13) comprise of the followings:	
	Cash on hand	2.71
	Cheques in hand	0.01
	Balances with Scheduled banks in Current accounts	1.22
	Balances per statement of cash flows	3.94
4	Analysis of movement in borrowings	
	Borrowings at the beginning of the year	-
	Cash flows	1,023.32
	Non cash changes	(244.85)
	Borrowings at the end of the year	-
	114.76	778.47

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
For S.R. BATLIBOI & Co. LLP
Chartered Accountants
Firm Reg. No.: 301003E/E300005

Divya Mathur
Partner
M.No.: 506846

Place : Gurgaon
Date : 30th May, 2024

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 30th May, 2024

Consolidated Statement of Changes in Equity

(All amounts are in ₹ Millions, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Amount#
Balance as at 1st April, 2022	204.20
Shares Issued through Initial Public Offer ('IPO')	35.43
Balance as at 31st March, 2023	239.63
Issue of Share Capital	-
Balance as at 31st March, 2024	239.63

Net off elimination on consolidation due to equity shares being held by subsidiary company

B. OTHER EQUITY

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans	
Balance as at 1st April, 2022	59.56	217.95	461.85	2,041.76	0.28	45.61	2,827.01
Profit for the year	-	-	-	268.03	0.16	6.79	274.98
Transfer to retained earnings	-	-	50.00	(50.00)	-	-	-
Utilized for payment of Final Dividend	-	-	(40.84)	-	-	-	(40.84)
Premium arising on issue of equity shares through IPO*	1,714.57	-	-	-	-	-	1,714.57
Share Issue Expenses on IPO*	(84.37)	-	-	-	-	-	(84.37)
Balance as at 31st March, 2023	1,689.76	217.95	471.01	2,259.79	0.44	52.40	4,691.35
Profit for the year	-	-	-	138.74	-	9.20	147.94
Utilized for payment of Final Dividend	-	-	-	(47.93)	-	-	(47.93)
Balance as at 31st March, 2024	1,689.76	217.95	471.01	2,350.60	0.44	61.60	4,791.36

* Refer Note No. 51

As per our report of even date attached
For S.R. BATLIBOI & Co. LLP
Chartered Accountants
Firm Reg. No.: 301003E/E300005

Divya Mathur
Partner
M.No.: 506846

Place : Gurgaon
Date : 30th May, 2024

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 30th May, 2024

Material Accounting Policies

(Amount in ₹ Million, unless otherwise stated)

1. CORPORATE INFORMATION

Elin Electronics Limited ('the Company' or the "Parent Company") was incorporated in India on 26th March, 1982 under the provisions of the Companies Act, 2013 (CIN L29304DL1982PLC428372). The Group is engaged in the business of Electronics Manufacturing Services. Its share are listed on two recognized stock exchanges in India. The registered office of the Company is located at 4771, Bharat Ram Road, 23, Daryaganj, New Delhi-110002 (India) and manufacturing plants in the state of Uttar Pradesh, Himachal Pradesh and Goa.

The Consolidated Financial Statement comprises of Elin Electronics Limited and its 100% subsidiary, Elin Appliances Private Limited, (collectively, 'the Group').

The Consolidated Financial Statements is approved for issue by the Company's Board of Directors in their meeting held on 30th May, 2024.

Changes in accounting policies and disclosures:-

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 1st April, 2023. The Group 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, 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 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 recognized for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognized 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 1st April, 2022.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

2. MATERIAL ACCOUNTING POLICIES

A summary of the material accounting policies applied in the preparation of the Consolidated Financial Statements are as given below. These accounting policies have been applied consistently to all periods presented in the Consolidated Financial Statements.

2.1 Basis of Preparation

2.1.1 Statement of compliance

The Consolidated Financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation including disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS and the accounting

Material Accounting Policies

(Amount in ₹ Million, unless otherwise stated) (Contd.)

principles generally accepted in India. The Group has consistently applied accounting policies to all periods.

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

2.1.2 Historical Cost Convention

The Consolidated Financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention and on accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for the following items:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans - Plan assets are measured at fair value.

Functional and presentation currency

Items included in the Consolidated Financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian rupee (₹), which is also the Parent's functional currency. All amounts have been rounded-off to the nearest million, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than ₹ 1000 have been rounded and are presented as ₹ 0.00 Millions in the Consolidated Financial Statements.

The detail of consolidated entity as follows:

Name of Subsidiary	Country of Incorporation	Percentage of ownership	
		As at 31 st March, 2024	As at 31 st March, 2023
Elin Appliances Private Limited	India	100%	100%

Summary of material accounting policies

2.3 Current vs non-current classification

The Group presents assets and liabilities in the consolidated statement of assets and liabilities based on current/ non-current classification.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its 100% subsidiary as at 31st March, 2024.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e. year end on 31st March.

The Consolidated Financial Statements of the Company and its subsidiary is combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra- group balances and intra-group transactions. Profits or losses resulting from intra-group transactions are eliminated in full. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The carrying amount of the Company's investment in subsidiary is offset (eliminated) against the Parent Company's portion of equity in subsidiary.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or

Material Accounting Policies
(Amount in ₹ Million, unless otherwise stated) (Contd.)

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

2.4 Property plant and equipment

Recognition and Initial Measurement

Property, plant and equipment is recognized when it is probable that future economic benefits associated with the item will flow to the Group and the cost of each item can be measured reliably. Property, plant and equipment are initially stated at their cost.

Depreciation and useful lives

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies act, 2013 except for assets used in manufacturing of Medical Products which are depreciated over a period of 3 years based on the management's internal assessment.

Particulars	Useful life as per Schedule II	Particulars	Useful life as per Schedule II
Computers	3 Years	Factory Building	30 Years
Servers	6 Years	Building (other than factory building)	60 Years
Office Equipment	5 Years	Electric Installation and Equipments	10 Years
Furniture and fixtures	10 Years	Motor Cycles	10 Years
Plant & Machinery including Dies, tools and Moulds	10-15 Years	Motor Vehicles & Lorry	8 Years
Plant & Machinery (medical products)*	3 Years		

*For these classes of assets based on internal assessment and technical evaluation, the management believes that the useful lives as given above best represent the period over which the Management expects to use these

Cost of asset includes:

- a) Purchase price, net of any trade discounts and rebates
- b) Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use
- c) Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work-in-progress (CWIP) respectively.

Significant Parts of an item of PPE (including major inspections) having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the expenditure can be measured reliably.

Material Accounting Policies (Amount in ₹ Million, unless otherwise stated) (Contd.)

assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of Companies Act 2013.

Depreciation on additions to/deductions from property, plant and equipment during the period is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed. Each part of an item of property, plant and equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and loss when the asset is derecognized.

2.5 Intangible assets

Intangible assets acquired separately are stated at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are amortized on straight line basis over the estimated useful life. Estimated useful life of the software is considered as 3 years. Amortization methods, useful lives and residual values are reviewed in each financial year / period end and changes, if any, are accounted for prospectively. An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Consolidated Statement of Profit and Loss.

2.6 Impairment of non-financial assets

At each reporting date, the Group assesses, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash- generating unit's

(CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories are recognized in the Consolidated Statement of Profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior period. Such reversal is recognized in the Consolidated Statement of Profit and loss.

2.7 Inventories

- a) Inventories (including traded goods) are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:
 - Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
 - Finished goods and intermediate products (including manufactured components): Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on first in, first out basis.
 - Stores and spares, consumables and packing materials cost includes direct expenses and

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is determined on the basis of first in first out method.

- b) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

2.8 Revenue recognition

Revenue is measured at the transaction price that is allocated to the performance obligation and it excludes amounts collected on behalf of third parties and is adjusted for variable considerations. Any subsequent change in the transaction price is then allocated to the performance obligations in the contract on the same basis as at contract inception. The Group recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The Group estimates the amount of revenue to be recognized on variable consideration using most likely amount method. Consequently, amounts allocated to a satisfied performance obligation are recognized as revenue, or as a reduction of revenue, in the period in which the transaction price changes. Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price.

a) Sale of products and Services

Revenue from sale of products is recognized at the point in time when control of the goods is transferred to the customer at the time of shipment to or receipt of goods by the customers 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 concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

Sales-related obligation associated with sale of goods cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Company accounts for such obligation in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

The goods and service tax (GST) is not received by the Group on its own account. Rather, it

is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

b) Other Operating Revenue

Export incentive is recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

c) Other Revenue

- **Interest income:** Interest income is recognized as interest accrues using the effective interest method ("EIR") that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.
- **Dividends:** Dividend income is recognized when the right to receive payment is established.
- **Rental income:** Rental income arising from operating leases or on investment properties is accounted for on a straight-line basis over the lease terms & included in other non-operating income in Statement of Profit and Loss.
- **Insurance Claims:** Insurance claims are accounted for as and when admitted by the concerned authority.

d) Contract balances

- **Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.
- **Trade receivables:** A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).
- **Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the

Material Accounting Policies (Amount in ₹ Million, unless otherwise stated) (Contd.)

Group transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

e) Right of return

The Group provides a customer with a right to return in case of any defects or on grounds of quality. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price.

The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the Group.

The Group has also applied the practical expedient under Ind AS 115 for incremental cost of obtaining a contract and has recognized such cost as an expense when incurred if the amortization period of the asset is one year or less.

2.9 Taxes

Tax expense comprises current tax expense and deferred tax.

a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized 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.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized,

Deferred tax is recognized in Consolidated Statement of Profit and loss except to the extent it relates to items recognized outside profit or loss, in which case is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit 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 financial statements and in other management reports,

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which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized 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 assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.10 Foreign currencies

The Group's consolidated financial statements are presented in ₹, which is also the parent company's functional currency. Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the reporting date are converted to functional currency using the closing rate (Closing selling rates for liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on settlement of monetary items, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Consolidated

Statement of Profit and loss in the period in which they arise. These exchange differences are presented in the Consolidated Statement of Profit and loss on net basis.

2.11 Employee benefit

a) Short-term employee benefits

Employee benefits such as salaries, short term compensated absences, and other benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the Consolidated Statement of Profit and loss in the period in which the employee renders the related services.

b) Post-employment benefits

- **Defined Contribution Plan:** A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Group makes specified monthly contribution towards provident fund ('PF') and employee state insurance scheme ('ESI') which is a defined contribution plan. The Group's contribution is recognized as an expense in the consolidated statement of profit and loss during the period in which the employee renders the related service.

- **Defined Benefit Plan:** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under such plans, the obligation for any benefits remains with the Group. The Group's liability towards gratuity and leave Encashment is in the nature of defined benefit plan.

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Group makes periodic contributions to the Kotak Mahindra Life Insurance Limited,

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Bajaj Allianz Life Insurance Co. Ltd, Tata Aia Life Insurance Co Ltd and Reliance Nippon Life Insurance Co. Ltd. for the Gratuity Plan in respect of employees.

The employees' leave encashment scheme is managed by HDFC Life Insurance Company Limited which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method and is recognized on the basis of eligible leave balances of employees' as on valuation date.

The liability in respect of gratuity and leave encashment is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method.

The Group's net obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date.

Re-measurement, comprising actuarial gains and losses, is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to Consolidated Statement of Profit and loss.

Defined benefit costs comprising current service cost, past service cost, interest cost and gains or losses on settlements are recognized in the Consolidated Statement of Profit and loss as employee benefits expense. Gains or losses on settlement of any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the Group recognizes related restructuring costs or termination benefits.

c) Other long-term employee benefits

Benefits under the Group's compensated absences constitute other long-term employee benefits, recognized as an expense in the Consolidated Statement of Profit and loss for

the period in which the employee has rendered services. The obligation recognized in respect of these long-term benefits is measured at present value of the obligation based on actuarial valuation using the Projected Unit credit method.

Long term employee benefit costs comprising current service cost, interest cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the Consolidated Statement of Profit and loss as employee benefit expenses.

2.12 Cash and cash equivalents

Cash and cash equivalent include cash on hand, cash at banks and short-term deposits 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 change in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of unrestricted cash and short-term deposits, as defined above as they are considered an integral part of the Group's cash management.

2.13 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction of qualifying assets are capitalized as part of the cost of such assets upto the assets are substantially ready for their intended use.

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortized on the basis of the Effective Interest Rate (EIR) method over the term of the loan. All other borrowing costs are recognized in the Consolidated Statement of Profit and loss in the period in which they are incurred.

2.14 Provisions, contingent assets and contingent liabilities

a) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of

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the reporting period, considering the risk and uncertainties surrounding the obligation.

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

b) Warranties

Provisions for the expected liability of warranty obligations under sale of goods are recognized at the management's best estimate if the claims of the customers under warranty are probable and the amount can be reasonably estimated.

c) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each financial reporting date and adjusted to reflect the current best estimates.

d) Contingent assets

Contingent assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

2.15 Leases

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

a) 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 recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognizes 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 re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, 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 over the shorter of the lease term and the estimated useful lives of the assets.

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.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Consolidated Statement of Profit and loss.

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the 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 recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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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 re-measured 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. The Group's lease liabilities are included in financial liabilities

iii) Short term lease and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases contracts including lease of residential premises and offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

iv) Single discount rate

The Group has applied the available practical expedient with respect to single discount rate wherein single discount rate is used for portfolio of leases with reasonably similar characteristics.

b) 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 recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

2.16 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. Trade receivables issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

a) Financial assets

Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognized initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognized immediately in the Consolidated Statement of Profit and Loss.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI – equity investment). The Group makes such election 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 recognized in the other comprehensive income ('OCI'). There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in the Consolidated Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognized in the Consolidated Statement of Profit and Loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Impairment of financial assets

Expected credit loss (ECL) is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are measured at amortized cost e.g., deposits, trade receivables and bank balance.
- (b) Financial assets that are measured as at FVTOCI
- (c) Lease receivables under Ind AS 116
- (d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased

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significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Consolidated Statement of Profit and loss. ECL for financial assets measured as at amortized cost and contractual revenue receivables is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Consolidated statement of assets and Liabilities. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

The Group does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its consolidated statement of assets and liabilities but retains either all or

substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

b) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial liabilities at fair value through profit or loss

The Group has not designated any financial liabilities at FVTPL.

(ii) Financial liabilities at amortized cost

After initial recognition, Loans, borrowings, trade payables and other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest expense is recognized in the Consolidated Statement of Profit and loss. Any gain or loss on derecognition is also recognized in the Consolidated Statement of Profit and loss.

Derecognition of financial liabilities

A financial liability is derecognized 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 recognized in the Consolidated Statement of Profit and loss.

c) Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for

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financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of assets and liabilities if there is a currently enforceable contractual legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.17 Fair value measurement

The Group measures financial instruments at fair value at each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Group.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which

sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: 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).

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

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summaries accounting policy for the fair value. Other fair value related disclosures are given in note 44.

2.18 GST Credit

The GST credit available on purchase of raw materials, other eligible inputs and capital goods is adjusted against taxes payable. The unadjusted GST credit is shown under the head "Other Current Assets".

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2.19 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 period 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 period 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. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the Consolidated Financial statements by the Board of Directors.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Group has been identified as being the chief operating decision maker by the Management of the Group.

The business of the Group falls within a single line of business i.e. electronics manufacturing services. All other activities of the Group revolve around its main business. Hence, no separate reportable primary segment.

2.21 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all stipulated conditions. Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income. Grants related to assets are reduced from the carrying

amount of the asset. Such grants are recognized in the Consolidated Statement of Profit and Loss over the useful life of the related depreciable asset by way of reduced depreciation charge.

2.22 Consolidated Statement of Cash Flows

The consolidated statements of cash flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Group are segregated.

2.23 Significant accounting estimates and judgments

The estimates used in the preparation of the Consolidated Financial Statements of each period/year presented are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Group believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Group regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Consolidated Financial Statements in the period in which they become known.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Actual results could differ from these estimates.

Significant judgements

- **Allowances for uncollected trade receivables**

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences.

Material Accounting Policies (Amount in ₹ Million, unless otherwise stated) (Contd.)

Individual trade receivables are written off when management deems not be collectible.

- **Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes. Although there can be no assurance of the final outcome of legal proceedings in which the Group is involved. It is not expected that such contingencies will have material effect on its financial position of probability.

- **Impairment of other financial assets**

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **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 nature of business 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 current tax payable, based on reasonable estimates. The amount of such current tax payable 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 domicile of the Group.

- **Recoverability of deferred taxes**

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- **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 Discounted Cash Flow ('DCF') model.

Significant estimates

- **Defined benefit plans**

The costs of post-retirement benefit obligation are 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.

Material Accounting Policies (Amount in ₹ Million, unless otherwise stated) (Contd.)

- **Useful lives of property, plant and equipment and intangible assets**

The Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. At the end of the current reporting period, the management determined that the useful lives of property, plant and equipment and intangible assets at which they are currently being depreciated represent the correct estimate of the lives and need no change.

- **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.

- **Determining the lease term of contracts with renewal and termination options – Group as lessee**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there

is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

- **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the consolidated statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- **Warranties**

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties. However, the actual future outcome may be different from management's estimates. Product warranty liability and warranty expenses are recorded if the claims of the customers under warranty are probable and the amount can be reasonably estimated.

2.24 Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities, which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and Machinery	Building	Dies, Moulds & Tools	Electrical Installations	Furniture and Fixtures	Office Equipment's	Computers	Vehicles	Land (Leasehold)	Land (Freehold)	Right-of-use-assets	Total
Gross Carrying Value												
Balance as at 1st April, 2022	1,589.03	885.05	312.17	167.86	54.10	15.17	40.77	58.68	104.64	21.30	0.78	3,249.55
Additions	219.02	97.91	98.03	73.81	3.56	1.28	4.93	13.69	117.32	-	3.11	632.66
Disposals	22.86	15.96	49.46	9.64	1.31	1.11	8.97	6.44	-	-	-	115.75
Balance as at 31st March, 2023	1,785.19	967.00	360.74	232.03	56.35	15.34	36.73	65.93	221.96	21.30	3.89	3,766.46
Additions	97.43	4.95	81.21	24.42	2.28	1.37	6.42	8.77	-	-	-	226.85
Disposals	54.67	-	6.34	29.83	-	0.23	0.34	6.30	-	-	-	97.71
Capital Subsidy Received (Refer footnote 1)	31.15	21.64	0.35	1.86	0.85	-	-	-	-	-	-	55.85
Balance as at 31st March, 2024	1,796.80	950.31	435.26	224.76	57.78	16.48	42.81	68.40	221.96	21.30	3.89	3,839.75
Accumulated depreciation												
Balance as at 1st April, 2022	712.16	320.99	106.19	105.13	35.66	10.15	30.84	33.96	18.21	-	0.03	1,373.32
Depreciation charge for the year	96.45	24.13	31.10	13.15	2.76	1.42	5.24	5.29	2.41	-	0.01	181.96
Disposals	17.43	15.97	43.81	7.90	1.22	1.07	8.94	5.06	-	-	-	101.40
Balance as at 31st March, 2023	791.18	329.15	93.48	110.38	37.20	10.50	27.14	34.19	20.62	-	0.04	1,453.88

Notes to Standalone Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	Plant and Machinery	Building	Dies, Moulds & Tools	Electrical Installations	Furniture and Fixtures	Office Equipment's	Computers	Vehicles	Land (Leasehold)	Land (Freehold)	Right-of-use-assets	Total
Depreciation charge for the year	118.51	24.43	35.71	15.37	2.91	1.75	5.52	6.03	3.51	-	0.08	213.82
Disposals	41.62	-	0.92	9.17	-	0.22	0.32	5.86	-	-	-	58.11
Balance as at 31st March, 2024	868.07	353.58	128.27	116.58	40.11	12.03	32.34	34.36	24.13	-	0.12	1,609.59
Net Carrying Value												
Balance as at 31 st March, 2023	994.01	637.85	267.26	121.66	19.15	4.84	9.59	31.74	201.34	21.30	3.85	2,312.59
Balance as at 31st March, 2024	928.73	596.73	306.99	108.18	17.67	4.45	10.47	34.04	197.83	21.30	3.77	2,230.16

1. The Group has received capital subsidy of ₹ 55.85 Million. for investment during October, 2015 to March, 2018 in Capex in manufacturing plant at Plot No.C-142, 143, 144, 144A/1, 144/2, Site No.1, Bulland Shahar Road, Ghaziabad, Uttar Pradesh, 201009 under Modified Special Incentive Package Scheme (M-SIPS) notified vide M-SIPS Policy Gazette Notification No. 175 dated 27-07-2012 and revised from time to time till date from Ministry of Electronics and Information Technology (Meity) vide approval letter dt 26.03.2024. The said amount has been adjusted to the carrying value of respective Property Plant and Equipments.

2. Refer Note 20 and 22 for details of assets pledged.

3. The Group had elected to continue with the carrying value of property, plant and equipment as recognized in the financial statements as per previous GAAP and had regarded those values as the deemed costs on the date of transition (i.e. 1st April, 2018).

4. For contractual commitment related to property, plant and equipment - Refer Note 38(b)

5. The Group has not revalued any property, plant and equipment in current financial year as well as previous year.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

4 CAPITAL WORK-IN-PROGRESS

Particulars	Total
Balance as at 1st April, 2022	0.24
Additions	0.91
Disposals	(0.24)
Balance as at 31st March, 2023	0.91
Additions	119.39
Disposals	(0.91)
Balance as at 31st March, 2024	119.39

4.1 Capital work-in-progress ageing schedule

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Balance as at 31 st March, 2023	0.91	-	-	-	0.91
Balance as at 31st March, 2024	119.39	-	-	-	119.39

4.2 For the year ended 31st March, 2024 and 31st March, 2023, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

5 INTANGIBLE ASSETS

Particulars	Computer Software
Gross Carrying Value	
Balance as at 1st April, 2022	15.27
Additions	11.20
Disposals	1.36
Balance as at 31st March, 2023	25.11
Additions	-
Disposals	13.91
Balance as at 31st March, 2024	11.20
Accumulated amortization and impairment	
Balance as at 1st April, 2022	11.12
Amortization	4.14
Disposals	1.29
Balance as at 31st March, 2023	13.97
Amortization	4.67
Disposals	13.24
Balance as at 31st March, 2024	5.40
Net Carrying Value	
Balance as at 31 st March, 2023	11.15
Balance as at 31st March, 2024	5.80

1. The Group has not revalued any intangible assets in current financial year as well as previous year.
2. The Group had elected to continue with the carrying value of intangible assets as recognized in the financial statements as per previous GAAP and had regarded those values as the deemed costs on the date of transition (i.e. 1st April, 2018).

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

6 NON-CURRENT INVESTMENTS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unquoted equity shares		
Investments-Non Trade		
Investments in Equity instruments	14.74	0.74
Total	14.74	0.74

6.1 Detail of Non-Current Investments

Particulars	Elcina Electronics Cluster Pvt Ltd (Face Value ₹ 10/- each)		Shivalik Waste Management Pvt Ltd (Face Value ₹ 10/- each)		Total Amount
	No. of Shares	Amount	No. of Shares	Amount	
Financial assets measured at FVTOCI					
Investment in equity instruments - Equity Shares (Fully paid up)					
As at 31 st March, 2023	10,000	-	20000	0.74	0.74
As at 31 st March, 2024	10,000	-	20,000	0.74	0.74

Particulars	Sunsure Solarpark Ten Private Ltd. (Face Value ₹ 10/- each)	
	No. of Shares	Amount
Financial assets measured at FVTOCI		
Investment in equity instruments - Equity Shares (Fully paid up)		
As at 31 st March, 2023	-	-
As at 31 st March, 2024	10,623	14.00

6.2. Additional Disclosures:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Aggregate carrying value of unquoted investments	14.74	0.74

6.3. Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Group. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

6.4. For Dividend Income, refer note 28

7 OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, Considered Good and measured at amortized cost unless otherwise stated		
Bank deposits with more than 12 months maturity *	12.06	310.12
Interest Receivable	0.05	3.55
Security Deposit	44.65	44.65
Total	56.76	358.32

* Above Bank deposits included temporary deposits of unutilized IPO proceeds of ₹ Nil (P.Y. ₹ 310 Million) and amount of ₹ 12.06 Million (P.Y. ₹ 0.12 Million) are held as margin money/securities with banks.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

8 DEFERRED TAX ASSETS / (LIABILITIES) (NET) - (REFER NOTE 46)

Deferred income tax reflect the net tax effects of temporary difference between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Significant component of the Group's net deferred tax are as follows:-

Particulars	Defined benefit obligation	Property, plant and equipment (Including Intangible Assets)	Provisions & others	Total
As at 1st April, 2022	2.57	(106.92)	12.13	(92.22)
(Changed)/Credited:				
- to profit and loss	4.58	(16.71)	3.05	(9.08)
- to other comprehensive income	(2.29)	-	-	(2.29)
As at 31 March, 2023	4.86	(123.63)	15.18	(103.59)
(Changed)/Credited:				
- to profit and loss	3.97	(9.99)	0.79	(5.23)
- to other comprehensive income	(3.10)	-	-	(3.10)
As at 31 March, 2024	5.73	(133.62)	15.97	(111.92)

9 OTHER NON-CURRENT ASSETS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, Considered Good		
Capital Advances*	31.15	45.95
Total	31.15	45.95

* Includes payment of ₹ 12.97 Million (P.Y ₹ 12.97 Million) made for allotment of Land. Land has been allotted but possession and registration in the name of Subsidiary is pending.

10 INVENTORIES (AT COST OR NET REALIZABLE VALUE WHICHEVER IS LOWER)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Inventories (As Certified and valued by the management)		
Raw Materials	650.78	773.09
Raw Materials in transit	80.05	11.47
	730.83	784.56
Work-in-progress	223.25	226.16
Finished goods	117.01	196.88
Stores and Spares	34.19	26.67
Total	1,105.28	1,234.27

During the year ended 31st March, 2024 ₹ 1.27 Million (31st March, 2023 ₹ Nil) was recognized as an expenses for inventories carried at net realisable value.

11 CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Quoted Investments		
Investments in Mutual Funds	618.10	264.70
Total	618.10	264.70

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Detail of Current Financial Assets - Investments

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Units	Amount	Units	Amount
Financial assets carried at fair value through statement of profit or loss (FVTPL)				
Investments in mutual funds - Quoted Investment				
HDFC Group Unit Linked Plan Option B	1,60,580	12.91	1,60,367.34	12.02
Nippon India Low Duration Fund - Direct Growth Plan Growth Option	-	-	75,646.41	252.68
Nippon India Corporate Bond Fund- Direct Plan Growth Plan- Growth Option	84,06,563	474.12	-	-
Nippon India Arbitrage Fund - Direct Growth Plan Growth Option	50,14,794	131.07	-	-
Total Current Investments at FVTPL		618.10		264.70
Aggregate book value of quoted investments		618.10		264.70
Aggregate market value of quoted investments		618.10		264.70
Aggregate amount of impairment in value of investments		-		-

12 TRADE RECEIVABLES (CARRIED AT AMORTIZED COST)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Trade Receivables		
Unsecured, considered good	1,994.41	1,974.11
Trade Receivables - credit impaired	2.10	2.11
Less: expected credit loss allowance	(2.10)	(2.11)
Total	1,994.41	1,974.11

Movement in the expected credit loss allowance of trade receivables are as follows:

Balance at the Beginning of the year	2.11	2.17
Add: Provided during the period/year	(0.01)	1.13
Less: Amount written off	-	(1.19)
Balance at the end of the period/year	2.10	2.11

Impairment Allowance (allowance for bad and doubtful debts)

Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	2.10	2.11
	2.10	2.11

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

12.1 Trade Receivables Ageing Schedule:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Undisputed Trade receivables – considered good		
Not Due	1,558.72	1,635.78
Less than 6 months	433.98	332.40
6 months - 1 year	1.24	4.58
1 -2 years	0.43	1.24
2 -3 years	0.04	0.11
More than 3 years	-	-
Total	1,994.41	1,974.11
Undisputed Credit impaired		
Not Due	1.56	1.64
Less than 6 months	0.44	0.33
6 months - 1 year	0.00	0.00
1 -2 years	0.05	0.13
2 -3 years	0.00	0.01
More than 3 years	0.05	-
Total	2.10	2.11
Total Trade Receivable	1,996.51	1,976.22

12.2 There are no disputed balances of Trade Receivables as at March 31'2024 and March 31'2023.

12.3 No trade receivable or advances are due from directors or other officers of the Group either severally or jointly with any other person. Trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member is disclosed in Note 41.

12.4 Trade receivables are non interest bearing and are generally on terms of 45 to 115 days.

12.5 There is no outstanding receivable from Related parties as on 31st March, 2024 and 31st March, 2023

13 CASH & CASH EQUIVALENTS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance with banks in current account	0.68	1.22
Cheques, drafts on hand;	0.30	0.01
Cash on hand;	1.24	2.71
Total	2.22	3.94

14 OTHER BANK BALANCES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balances with Bank		
- In Monitoring Agency & Escrow Account	12.08	68.91
- In Earned Unpaid Dividend Account	0.12	0.00
- Deposit with banks (Original maturity more than three months and less than twelve months *)	322.64	923.79
Total	334.84	992.70

* Above Bank deposits included temporary deposits of unutilized IPO proceeds of ₹ 236.92 Million (P.Y. ₹ 655.40 Million) and amount of ₹ 12.64 Million. (P.Y. ₹ 23.69 Million) are held as margin money/securities with banks.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

15 LOANS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Loan to Others*	-	1.60
Total	-	1.60

*No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

16 OTHER CURRENT FINANCIAL ASSETS (CARRIED AT AMORTIZED COST)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good and measured at amortized cost unless otherwise stated		
Interest accrued on deposits	26.44	9.92
Loans & Advances to Staff & Workers*	12.27	15.10
Total	38.71	25.02

*Interest free loan and advance given to Staff and Workers and period of repayment is less than one year.

17 CURRENT TAX ASSETS / LIABILITIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Current Tax Assets		
Advance Income Tax / TDS (net of provisions of ₹ 2.10 Million)	0.81	14.94
Current Tax Liabilities		
Income Tax Provisions (net of Advance Income Tax / TDS of ₹ 46.37 Million)	3.93	2.38

18 OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Balance with Government Authorities	26.16	22.24
Gratuity fund balance (refer note 36)	27.82	25.27
Advance to Suppliers	80.26	49.90
Export Incentive recoverable*	0.18	0.31
Prepaid Expenses	5.42	3.07
Total	139.84	100.79

*Export Incentive is recoverable in relation to the export of goods. There are no unfulfilled conditions or contingencies attached to these grants.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

19 A. SHARE CAPITAL

(i) Authorised Share Capital

Particulars	Equity Share Capital	
	No of Shares	Amount
As at 1st April, 2022	10,00,00,000	500.00
Increase during the year	-	-
As at 31st March, 2023	10,00,00,000	500.00
Increase during the year	-	-
As at 31st March, 2024	10,00,00,000	500.00

(ii) Shares issued, subscribed and fully paid-up

Particulars	Equity Share Capital	
	No of Shares	Amount #
As at 1st April, 2022	4,08,40,200	204.20
Add: Shares issued during the year (Refer Note 51)	70,85,020	35.43
Less: Share bought back during the year	-	-
As at 31st March, 2023	4,79,25,220	239.63
Add: Shares issued during the year	-	-
Less: Share bought back during the year	-	-
As at 31st March, 2024	4,79,25,220	239.63

Net off elimination on consolidation due to equity shares being held by subsidiary company

(iii) Terms/right attached to equity shares

The Parent Company has one class of shares having a face value of ₹ 5/- per equity share. The group declares and pay dividends in indian rupees. The dividend proposed by the board of directors is subject to the approvals of the shareholders in ensuing Annual General Meeting. Each holders of equity shares is entitled to one vote per equity share held in the Parent Company. 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.

(iv) Shares Split & Bonus Issue

Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

Pursuant to a resolution passed by our Board on 6th September, 2021 and a resolution of shareholders dated, 30th September, 2021, each equity share of face value of ₹ 10 each has been split into two equity shares of face value of ₹ 5 each. Accordingly, the issued, subscribed and paid up capital of the Company was subdivided from 68,06,700 equity shares of face value of ₹ 10 each to 1,36,13,400 equity shares of face value of ₹ 5 each. The Board of Directors pursuant to a resolution dated September 6, 2021 and the shareholders special resolution dated 30th September, 2021 have approved the issuance of two bonus equity shares of face value ₹ 5 each for every one existing fully paid up equity share of face value ₹ 5 each and accordingly 2,72,26,800 bonus equity shares were issued and allotted in accordance with the Section 63 of the Companies Act, 2013.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

(v) Detail of shareholders holding more than 5 percent of Equity Shares

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Late Suman Sethia	27,24,535 5.49%	27,24,535 5.49%
Kishore Sethia	25,07,763 5.05%	25,07,763 5.05%

(vi) Disclosures of Shareholding of promoters

Promoter Name	Shares held at March 31' 2024		Shares held at March 31' 2023		Change during the year	% Change during the year ended March' 2024*
	Nos. of Shares	% of Total Shares	Nos. of Shares	% of Total Shares		
Kamal Sethia	15,68,991	3.16%	15,33,991	3.09%	35,000	0.07%
Late Suman Sethia	27,24,535	5.49%	27,24,535	5.49%	-	-
Kishore Sethia	25,07,763	5.05%	25,07,763	5.05%	-	-
Vasudha Sethia	7,43,654	1.50%	7,43,654	1.50%	-	-
Gaurav Sethia	21,51,236	4.33%	21,15,636	4.26%	35,600	0.07%
Vinay Kumar Sethia	4,68,250	0.94%	4,32,450	0.87%	35,800	0.07%
Sanjeev Sethia	9,41,500	1.90%	9,15,600	1.84%	25,900	0.06%
Sumit Sethia	5,94,734	1.20%	5,94,734	1.20%	-	-

* Change is computed based on the equity holding % as at end of current year vis-à-vis previous year.

B. OTHER EQUITY

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
(i) Retained Earnings	2,350.60	2,259.79
(ii) Securities Premium	1,689.76	1,689.76
(iii) Capital Reserve (on consolidation)	217.95	217.95
(iv) General Reserve	471.01	471.01
(v) Components of Other Comprehensive Income		
a. Changes in fair value of FVOCI equity instruments	0.44	0.44
b. Remeasurement of defined benefit plans	61.60	52.40
Total	4,791.36	4,691.35

Nature and Purpose of Reserve

- Securities premium is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- General reserve is the free reserve created out of the retained earnings of the Group. The reserve can be utilized in accordance with the provision of the Companies Act, 2013.
- 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. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.
- Capital reserve is created out on account of amalgamation.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

(i) Retained Earnings

Particulars	Amount
As at 1st April, 2022	2,041.76
Add: Net profit for the year	268.03
Less: Transfer to reserve during the year	(50.00)
As at 31st March, 2023	2,259.79
Add: Net profit for the year	138.74
Less: Utilized for payment of Final Dividend	(47.93)
As at 31st March, 2024	2,350.60

(ii) Other Reserves

Particulars	Securities Premium	Capital Reserve	General Reserve
As at 1st April, 2022	59.56	217.95	461.85
Increase during the year	1,714.57	-	50.00
Decrease during the year (Refer Note 51)	(84.37)	-	(40.84)
As at 31st March, 2023	1,689.76	217.95	471.01
Increase during the year	-	-	-
Decrease during the year	-	-	-
As at 31st March, 2024	1,689.76	217.95	471.01

(iii) Components of Other Comprehensive Income

Particulars	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans
As at 1st April, 2022	0.28	45.61
Increase during the year	0.16	6.79
Decrease during the year	-	-
As at 31st March, 2023	0.44	52.40
Increase during the year	-	9.20
Decrease during the year	-	-
As at 31st March, 2024	0.44	61.60

20 NON-CURRENT BORROWINGS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At amortized cost		
Secured Borrowings		
Term Loans - from Banks*	-	578.82
Less : Current maturities of long term debt - Term Loans	-	(182.91)
Total	-	395.91

* net off of ₹ Nil Millions (2023: ₹ 0.55 Millions) as finance charge

Notes:

- a) Term Loans pertaining to Holding Company is secured by way of first pari passu charge over entire movable Property Plant and Equipment of the Company and immovable Property Plant and Equipment of the Company by equitable mortgage of properties situated at Ghaziabad and Goa. These are further secured by second pari

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

passu charge on entire current assets of the Company and personal guarantee of the four Directors of the Holding Company. This facility has been closed during F.Y. 2023-24.

- b) Term Loans pertaining to Subsidiary Company has been prepaid during the year. The loan was secured by way of First pari paasu charge by way of mortgage of all Immovable Properties of Company situated at Belikhol, Tehsil Nalagarh, District Solan, Himachal Pradesh and hypothecation of Plant & Machinery, Equipments, Tools, Spares, Accessories and all other Assets, both present and in future. The Loan was further secured by Personal Guarantee of the two Directors of the Subsidiary company. This facility has been closed during F.Y. 2023-24.

c) **Term Loans - Repayment schedule and rate of interest**

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Secured		
Weighted Ave. Rate of Interest	-	8.63%
Outstanding amount	-	578.82
Repayment Due		
FY 2022-23	-	-
FY 2023-24	-	182.91
FY 2024-25	-	142.89
Remaining payable upto 2028-29	-	253.02

- d. The Group has satisfied all the covenants prescribed in terms of borrowings.

21 NON-CURRENT PROVISIONS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Employee Benefits (refer note 36)		
Provision for compensated absences	-	9.74
Total	-	9.74

22 CURRENT BORROWINGS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At amortized cost		
Borrowings - Loans repayable on demands		
Secured		
(i) from banks - Working Capital	114.76	199.65
(ii) Current maturities of non current borrowings (refer footnote (c))	-	182.91
Total	114.76	382.56

Notes:

- a. Working Capital loan of Holding Company is secured by exclusive first pari passu charge on entire stock of Raw material, Work-in-Progress, Finished Goods, Consumable Stores, Book Debts and other current assets of the Company, both present and future. These loans are further secured by second pari passu charge over the entire movable Property Plant and Equipment of the Company, other and immovable Property Plant and Equipment of the Company by equitable mortgage of properties situated at Ghaziabad and Goa and personal guarantee of the four Directors of the holding company.
- b. Working Capital loan of Subsidiary Company is secured by First pari paasu charge by way of mortgage of all Immovable Properties of Company situated at Belikhol, Tehsil Nalagarh, District Solan, Himachal Pradesh and hypothecation of Plant & Machinery, Equipments, Tools, Spares, Accessories and all other Assets, both present and in future. The Loan is further secured by Personal Guarantee of the two directors of the subsidiary company.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

- c. The Company has availed working capital loan from HDFC Bank, CITI Bank and ICICI bank is repayable on demand bearing a floating interest rate on HDFC Loan 3 Month Tbill+1.76% (Effective Rate 8.79%), Interest rate on ICICI Bank Loan 3M MCLR + Spread @0.05% (Effective Rate 8.70%) and Fixed interest rate on CITI Bank loan @ 8.85%.
- d. For details regarding repayment terms, interest rate and nature of security on current maturities of non current borrowings [Note 20 (a), (b) and (c)].
- e. The Group has satisfied all the covenants prescribed in terms of borrowings.
- f. The Group has not defaulted on any loans payable.

23 TRADE PAYABLES (CARRIED AT AMORTIZED COST)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Trade Payables		
Total Outstanding Dues of Micro and Small Enterprises (refer note 37)	272.73	320.44
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	812.45	948.62
Total	1,085.18	1,269.06

23.1 Trade Payables Ageing Schedule, on due basis:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Total Outstanding Dues of Micro and Small Enterprises		
Unbilled	-	-
Not Due	270.70	301.26
Less than 1 year	2.03	19.18
1 -2 years	-	-
2 -3 years	-	-
More than 3 years	-	-
Total	272.73	320.44
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		
Unbilled	8.47	-
Not Due	652.15	727.04
Less than 1 year	151.53	214.54
1 -2 years	0.30	1.78
2 -3 years	-	5.26
More than 3 years	-	-
Total	812.45	948.62

23.2 There are no disputed balances of MSME or other than MSME as on Mar'24 and Mar'23

23.3 Trade Payable are non-interest bearing and are normally settled on 60 days terms.

23.4 There is no trade payable to related parties.

24 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unpaid Dividends (refer note 14)*	0.12	0.00
Payable to Selling Shareholders (refer note 51)	-	9.24
Employee Benefit payable	98.77	123.51
Total	98.89	132.75

* No amount due and outstanding to be credited to Investor Education and Protection Fund.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

25 OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Advances from Customers*	63.92	44.35
Statutory Dues payable	60.71	40.48
Total	124.63	84.83

*Goods to be supplied in the next financial year.

26 CURRENT PROVISIONS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provisions for Employee Benefits		
Provision for compensated absences (refer note 36)	22.79	9.58
Provision - Others*	16.88	15.20
Total	39.67	24.78

*Included provision for sales related obligations

Changes in provisions (Current and Non Current) are as below :

Particulars	Provision for compensated absences	Provision -Others*
As at 1st April, 2022	17.93	-
Addition during the year	5.39	15.20
Utilization / reversal during the year	(3.99)	-
As at 31st March, 2023	19.32	15.20
Addition during the year	6.14	14.11
Utilization / reversal during the year	(2.67)	(12.43)
As at 31st March, 2024	22.79	16.88

27 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Sale of Products	10,145.96	10,475.98
Sale of Services	24.52	19.18
Other Operating Revenues		
- Scrap sale	246.21	258.44
- Export Incentives	0.48	0.68
Total	10,417.17	10,754.28

27.1 Contract Balances

Receivables, which are included in 'trade receivables'	1,994.41	1,974.11
Advances received from customers	63.92	44.35

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

27.2 Disaggregated information by primary geographical market

Set out below is the Disaggregation of the group's revenue from contracts with customers

Location		
India	10,392.56	10,717.11
Outside India	24.13	36.49
Total revenue from contracts with customers*	10,416.69	10,753.60

* Excluding export incentives

27.3 Timing of revenue recognition

Goods Transferred at a point of time	10,392.17	10,734.42
Service transferred over time	24.52	19.18
Revenue from contracts with customers*	10,416.69	10,753.60

27.4 Set out below is the amount of revenue recognized from

Amounts included in contract liabilities at the beginning of the year	44.35	21.04
Performance obligations satisfied in previous years	-	-

27.5 Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price

Revenue as per contracted price (as invoiced)	10,466.16	10,808.40
Adjustments		
Provision for sales related obligations	(14.11)	(15.20)
Sales return	(35.36)	(39.60)
Revenue from contracts with customers*	10,416.69	10,753.60

* Revenue from sale of goods is recognized on transfer of control of goods to the buyer. Revenue is measured at the price charged to the customer and are recorded net of returns (if any), trade discounts, rebates, other pricing allowances to trade/consumer, when it is probable that the associated economic benefits will flow to the Group. Accumulated experience is used to estimate the accruals and provisions for discounts and rebates.

The performance obligation in contracts is considered as fulfilled in accordance with the terms agreed with the respective customers, which is mainly upon arrival at the customer.

Revenue from sale of goods is presented net of Goods and Services Tax (GST).

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

28 OTHER INCOME

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Other non-operating income		
Income from investments		
Interest Income from financial assets at amortized cost		
- On Fixed Deposits with Banks	74.72	15.21
- On Others	4.91	-
Dividend Income	0.04	0.04
Gain on sale of current investments measured at FVTPL	3.74	1.77
Fair value gain on Financial Instruments at fair value through profit or loss	6.08	3.15
Provision for bad and doubtful debts written back	0.01	-
Gain on disposal of property, plant and equipment (net)	-	2.00
Foreign exchange fluctuation Gain (Net)	0.59	-
Miscellaneous Income	0.98	0.50
Total	91.07	22.67

29 COST OF MATERIAL CONSUMED

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Inventories at the beginning of the year	799.76	783.72
Add : Purchases during the year	7,405.02	7,816.64
	8,204.78	8,600.36
Less: Inventory at the end of the year	765.02	799.76
Total material consumed	7,439.76	7,800.60

30 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN PROGRESS AND STOCK-IN TRADE

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Inventories at the beginning of the year		
Finished Goods	196.88	131.61
Stock in Trade- Goods	-	-
Work in process	226.16	273.70
	423.04	405.31
Less: Inventory at the end of the year		
Finished Goods	117.01	196.88
Stock in Trade- Goods	-	-
Work in process	223.25	226.16
	340.26	423.04
Total	82.78	(17.73)

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

31 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Salaries, wages, bonus and allowances	1,345.32	1,202.83
Contribution to Provident and other funds (Refer Note 36)	83.35	81.00
Gratuity and other defined benefit plans	32.10	29.99
Staff welfare expenses	18.95	23.37
Total	1,479.72	1,337.19

32 FINANCE COSTS

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Interest expense on financial liabilities measured at amortized cost :		
- on borrowings	25.38	69.34
- on lease liabilities (Refer Note 35)	0.51	0.15
- on bill discounting	51.47	57.43
- other Interest cost	0.08	0.01
Other borrowing cost	3.72	3.69
Total	81.16	130.62

34 OTHER EXPENSES

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Power and Fuel Charges	171.97	172.31
Carriage Inwards Expenses	29.79	25.57
Processing Charges	247.37	237.93
Consumption of stores and spares	59.58	40.31
Testing Calibration and Development Charges	18.41	12.70
Repairs and Maintenance	107.23	98.70
Advertisement & Sales promotion	1.47	3.18
Carriage & Octroi (Outward)	34.46	28.19
Rent (Refer Note 35)	8.32	8.96
Rates and Taxes	4.74	3.12
Payments to Auditors		
- Statutory Audit Fees (Including Limited review)	5.35	1.23
- Tax Audit Fees	0.40	0.40
- Other Services	0.21	0.82
- Out of Pocket expenses		
Legal and Professional Fee*	13.70	48.93
Communication Costs	3.60	3.21
Travelling and Conveyance Expenses	27.50	23.54
Vehicle Running & Maintenance	21.87	22.07
Insurance	12.95	12.74
Provision for bad and doubtful debts	-	0.33
Sitting Fees to non-executive directors (refer note 41)	0.89	0.91

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Corporate Social Responsibility Expenses (refer note 43)	8.52	8.54
Foreign Exchange Fluctuation Loss (Net)	-	0.05
Loss on disposal of property, plant and equipment (net)	2.27	-
Property, plant and equipment written off	8.93	-
Miscellaneous Expenditure	36.36	44.94
Total	825.89	798.68

* excluding Professional fee of ₹ Nil (FY 2022-2023: ₹ 7.50 Million) paid to the Statutory Auditors of Holding Company towards IPO.

34 EARNING PER SHARE (EPS)

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earnings are stated below :

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Basic & Diluted Earnings per share :		
Profit/(Loss) for the year	138.74	268.03
Profit/(Loss) attributable to ordinary shareholders (A)	138.74	268.03
Weighted average number of ordinary shares (B)	4,79,25,220	4,26,26,013
Face value per Share	₹ 5/-	₹ 5/-
Earnings per share - Basic & Diluted (A/B) - ₹	2.90	6.29

35 DISCLOSURE WITH RESPECT TO IND AS 116 - LEASES

Group as a leasee

The Group has lease contracts for several industrial lands. These lease arrangements ranges for a period between 48 years to 96 years and includes escalation clause. The Group also has leases for warehouse premises with lease terms of 12 months or less and leases of low value. The Group has applied the 'short term lease' and 'lease of low-value-assets' recognition exemption for these leases.

The carrying amount of right-of-use assets recognized and the movement during the year in disclosure in Note 3

The carrying amount of lease liabilities and the movement during the year is given below

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance as at beginning of the year	5.15	1.97
Additions	-	3.10
Payment of lease liabilities	(0.50)	(0.07)
Accretion of interest	0.51	0.15
Balance as at end of the year	5.16	5.15
Current Liabilities	0.06	0.06
Non-Current Liabilities	5.10	5.09
Total cash outflow for leases	(0.50)	(0.07)

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. Such lease liabilities are related to Leasehold lands having maturity period of more than 5 year. The maturities analysis of lease liabilities is disclosed in Note 44. Lease liability has been discounted using the lessee's incremental borrowing rate. There are no variable lease payments.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

The effective interest rate for lease liabilities is 8% and 8.75%, with maturity between 2059 to 2111.

The table below provides details regarding amounts recognized in the Consolidated Statement of Profit and Loss:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Expenses relating to short-term leases and/or leases of low-value items (Refer Note 33)	8.32	8.96
Interest on lease liabilities (Refer Note 32)	0.51	0.15
Depreciation expense (Refer Note 3)	0.08	0.01
Total	8.91	9.12

The Group had total cash outflows for leases of ₹ 8.82 Millions (31st March, 2023: ₹ 9.04 Millions)

36 THE GROUP HAS RECOGNIZED THE FOLLOWING AMOUNTS IN THE CONSOLIDATED FINANCIAL INFORMATION AS PER IND AS - 19 "EMPLOYEES BENEFITS":

a) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized are charged to the Consolidated Statement of Profit and Loss for the year as under :

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Employer's Contribution to Provident Fund (Refer Note 31)	68.67	66.88
Employer's Contribution to Employee State Insurance (Refer Note 31)	12.43	12.88
Employer's Contribution to National Pension Scheme (Refer Note 31)	2.25	1.24

b) Defined Benefit Plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service get a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereon in excess of 6 months. The Group makes contributions to the Elin Employees Group Gratuity Trust and Elin Appliances Pvt. Ltd. Employees Gratuity Trust. The Trustees of Elin Employees Group Gratuity Trust and Elin Appliances Pvt. Ltd. Employees Gratuity Trust are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law. The Group aims to keep annual contributions to the trust relatively stable at a level such that no significant gap arises between plan assets and liabilities.

The employees' gratuity fund scheme is managed by Kotak Mahindra Life Insurance Limited, Bajaj Allianz Life Insurance Co. Ltd, Tata Aia Life Insurance Co Ltd and Reliance Nippon Life Insurance Co. Ltd. which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes 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 employees' leave-encashment scheme is managed by HDFC Life Insurance Company Limited which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method and is recognized on the basis of eligible leave balances of employees' as on valuation date.

Actuarial assumptions

Particulars	Gratuity (Funded)		Leave Encashment	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Discount rate (per annum)	7.20%	7.45%	7.20%	7.45%
Attrition rate	4.00%	4.00%	4.00%	4.00%
Salary escalation rate	5.00%	5.00%	5.00%	5.00%
Average remaining working lives of employees (Years)	23.21	24.08	-	-

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	Gratuity (Funded)		Leave Encashment	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Retirement age (years)	58.00	58.00	58.00	58.00
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14
A reconciliation of opening and closing balance of present value of the obligations :				
Present value of obligation as at the beginning of the year	157.55	143.75	19.32	17.93
Interest Cost	11.73	11.20	1.46	1.26
Current Service Cost	15.18	15.57	18.23	17.38
Benefits paid	(10.67)	(6.48)	(2.67)	(3.99)
Actuarial (gain)/ loss on obligations	11.02	(6.49)	(13.55)	(13.26)
Present value of obligation as at the end of the year	184.81	157.55	22.79	19.32
A reconciliation of opening and closing balance of the fair value of plan assets :				
Fair value of plan assets at beginning of the year	182.82	172.77	12.02	11.55
Actual return of plan assets	13.60	14.60	0.89	0.82
Employer contribution	17.10	12.60	2.67	3.99
Benefits paid	(10.67)	(6.48)	(2.67)	(3.99)
Actuarial gain/ (loss) on obligations	9.78	(10.67)	0.00	(0.36)
Fair value of plan assets at the end of year	212.63	182.82	12.91	12.01
Other Comprehensive Income				
Actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-
Actuarial gains and losses arising from changes in financial assumptions	134.91	(4.81)	0.27	(0.42)
Remeasurement (Gain)/ Loss arising from Experience Adjustment	(123.89)	(1.69)	(13.82)	(12.83)
Changes in the effect of limiting a net defined benefit asset to the asset ceiling, excluding amounts included in interest.	(9.78)	10.67	0.00	(0.36)
Actuarial (gain) / loss recognized in OCI	1.24	4.17	(13.55)	(13.61)

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	Gratuity (Funded)		Leave Encashment	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
The amounts to be recognized in Consolidated Statement of Assets and Liabilities :				
Present value of obligation as at the end of the year	184.81	157.55	22.79	19.32
Fair value of plan assets as at the end of the year	212.63	182.82	12.91	12.02
Net (asset)/ liability recognized in Consolidated Ind AS Balance Sheet	(27.82)	(25.27)	9.88	7.30
Expenses recognized in Consolidated Statement of Profit and Loss :				
Current service cost	15.18	15.57	18.22	17.38
Net Interest Cost	(1.87)	(3.40)	0.57	0.44
Expenses recognized in the Consolidated statement of profit and loss	13.31	12.17	18.79	17.82

Sensitivity analysis of the defined benefit obligation:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

<u>Impact of the change in Discount Rate</u>				
Present Value of Obligation at the end of the year	184.81	157.55	22.79	19.32
Impact due to increase of 1%	(12.94)	(11.29)	(0.99)	(0.95)
Impact due to decrease of 1%	15.03	13.13	1.46	1.13
<u>Impact of the change in Withdrawal Rate</u>				
Present Value of Obligation at the end of the year	184.81	157.55	22.79	19.32
Impact due to increase of 1%	2.42	2.41	0.40	0.25
Impact due to decrease of 1%	(2.76)	(2.76)	(0.17)	(0.28)
<u>Impact of the change in salary increase</u>				
Present Value of Obligation at the end of the year	184.81	157.55	22.79	19.32
Impact due to increase of 1%	14.24	12.51	1.39	1.06
Impact due to decrease of 1%	(12.52)	(10.94)	(0.94)	(0.91)

The weighted average duration of the defined benefit obligation at the end of the reporting period is 8 years (31st March, 2023: 9 years).

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Maturity profile of defined benefit obligation:				
Year 1	29.07	24.35	11.38	9.94
Year 2	12.61	11.28	0.81	0.80
Year 3	17.18	10.84	1.12	0.72
Year 4	16.17	15.15	0.99	0.97
Year 5	21.00	13.97	1.21	0.85
Year 6 to 10	70.54	68.97	5.05	4.71
Estimated amount of contribution to gratuity in the immediate next year is ₹ 15.64 Million (31 st March, 2023 ₹ 14.20 Million)				
Investment Details				
Funds managed by Insurance Companies	211.59	181.67	12.91	12.02
Cash and Bank Balance	1.04	1.16	-	-

Note: The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuarial Valuer.

37 INFORMATION REQUIRED TO BE FURNISHED AS PER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (THE ACT):

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
1. Principal amount remaining unpaid to micro & small enterprises	272.73	320.44
2. Interest due on above	0.01	-
3. Interest paid during the period beyond the appointed day	-	-
4. Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
5. Amount of interest accrued and remaining unpaid at the end of the period	0.01	-
6. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note: The above information and that given in Note 23' Trade Payables' regarding Micro and Small Enterprises has been determined on the basis of information available with the Group and has been relied upon by the auditors. The Group has not received any claim for interest from any supplier as at the balance sheet date.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

38 COMMITMENTS AND CONTINGENCIES

(a) Contingent Liabilities not provided for in respect of :

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
(i) Unexpired Letters of Credit	35.03	47.47
(ii) Guarantees given by banks on behalf of the Company	80.66	49.99
(iii) Claims against the Company not acknowledged as debt		
¹ - Income tax matters	47.41	33.77
¹ - Sales tax matters	0.60	1.75
¹ - Goods and service tax matters	2.59	1.68
¹ - Custom duty matters	1.26	1.26
¹ - Employees related matters	8.22	8.01

Notes:

- The Group's pending litigations comprise of claims against the Group and proceedings pending with Government Authorities. The Group has reviewed all its pending litigations and proceedings and believes that they have sufficient and strong arguments on facts as well as on point of law and accordingly no provision has been considered in the financial statements. The Group does not expect the outcome of these proceedings to have a material impact on its financial position.
- The Group periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, The Group has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.
- The Group does not have outstanding term derivative contracts as at the end of respective years.
- There were no amounts which were required to be transferred to the investor Education and Protection fund by the Holding company and its Subsidiary company at the end of respective years.

(b) Capital Commitments

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	54.05	28.29

- 39 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. Certain sections of the Code came into effect on 3rd May, 2023. However the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

40 RESEARCH & DEVELOPMENT (R&D) EXPENDITURE

Particulars	For the year ended	For the year ended
	31 st March, 2024	31 st March, 2023
Revenue Expenditure	82.60	65.41
Capital Expenditure	1.10	4.65
Total	83.70	70.06

40.1 Capital expenditure incurred on R&D is included in the Property Plant and Equipment and depreciation is provided on the same at respective applicable rates.

40.2 Revenue expenditure incurred on R&D has been shown under respective Expense head in the Statement of Profit and loss.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

41 "RELATED PARTY DISCLOSURES" AS REQUIRED BY IND AS - 24 :

(i). Name and description of related parties.

Relationship	Name of Related Party	
(a) Key management personnel :	Mr. M.L. Sethia	(Chairman)
	Mr. Kamal Sethia	(Managing Director)
	Mr. Sanjeev Sethia	(Whole Time Director - EMS)
	Mr. Sumit Sethia	(Whole Time Director - Goa Operation)
	Mr. Kishore Sethia	(Key Managerial Personal)
	Mr. Gaurav Sethia	(Director of Subsidiary Company)
	Mr. Vinay Kumar Sethia	(Director of Subsidiary Company)
	Mr. Raj Karan Chhajer	(Chief Financial Officer)
	Mr. Avinash Karwa	(Company Secretary and Compliance Officer) (Ceased w.e.f. 14 th June, 2022)
	Ms.Lata Rani Pawa	(Company Secretary and Compliance Officer) (w.e.f. 14 th June, 2022)
	Mr. Kamal Singh Baid	(Non Executive Independent Director)
	Ms. Shilpa Baid	(Non Executive Independent Director)
	Mr. Shantilal Sarnot	(Non Executive Independent Director)
	Mr. Ashis Chandra Guha	(Non Executive Independent Director)
(b) Relative of Key management personnel :	Ms. Kanika Sethia	
	Late Suman Sethia	
	Ms. Vasudha Sethia	
	Ms. Kanchan Sethia	
	Mr.Vijay Singh Sethia	
	Ms. Santosh Sethia	
	Ms. Shweta Sethia	
	Mr.Deepak Sethia	
(c) Post Employment Benefit Plans	Elin Employees Group Gratuity Trust	
	Elin Appliances Pvt. Ltd. Employees Gratuity Trust	
(d) Enterprises owned or Significantly influenced by key management personnel or their relatives.	Kanchan Commercial Co. Pvt. Ltd.	
	Magtronic Devices Pvt. Ltd.	
	Sethia Oil Industries Limited	
	Kamal Sethia & Sons HUF	
	Vijay Singh Sethia And Sons HUF	
	Sushil Kumar Sethia & Sons HUF	
	Vinay Kumar Sethia Sons HUF	
Deepak Sethia And Sons HUF		

* As per section 2(51) of Companies Act 2013

Note: Related party relationship is as identified by the Company and relied upon by the auditors

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

(ii). Nature of transactions - The transactions entered into with the related parties during the year along with related balances as at respective years are as under:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Income - Rent income		
Magtronic Devices Pvt. Ltd.	0.36	0.36
Expenses - Rent expenses		
Kanchan Commercial Co. Pvt.Ltd.	0.60	0.60
Contribution towards Gratuity Liabilities		
Elin Electronics Limited Employees Group Gratuity Trust	14.50	11.70
Elin Appliances Pvt. Ltd. Employees Gratuity Trust	2.60	0.90
Sitting Fees to non-executive directors		
Short term employee benefits		
Mr. Kamal Singh Baid	0.38	0.41
Ms. Shilpa Baid	0.22	0.24
Mr. Shantilal Sarnot	0.17	0.18
Mr. Ashis Chandra Guha	0.12	0.08
Remuneration of Key Management Personnel *		
Short term employee benefits		
Mr. M.L. Sethia	3.64	3.64
Mr. Kamal Sethia	8.48	8.47
Mr. Kishore Sethia	8.48	8.47
Mr. Sanjeev Sethia	8.48	8.47
Mr. Vinay Kumar Sethia	8.48	8.47
Mr. Sumit Sethia	9.32	9.41
Mr. Gaurav Sethia	8.48	8.47
Mr. Raj Karan Chhajjer	2.53	2.44
Mr. Avinash Karwa	-	0.49
Ms.Lata Rani Pawa	1.30	1.01
Dividend paid to Key Management Personnel		
Mr. Kamal Sethia	1.53	2.23
Mr. Kishore Sethia	2.51	3.64
Mr. Sanjeev Sethia	0.94	0.92
Mr. Vinay Kumar Sethia	0.43	0.63
Mr. Sumit Sethia	0.59	0.86
Mr. Gaurav Sethia	2.12	3.14
Dividend paid to Relatives of Key Management Personnel		
Kanika Sethia	0.15	0.15
Late Suman Sethia	2.72	3.96
Vasudha Sethia	0.74	1.08
Kanchan Sethia	0.69	1.18
Vijay Singh Sethia	0.38	0.69
Santosh Sethia	0.56	0.82
Shweta Sethia	0.08	0.11
Vinay Kumar Sethia & Sons	0.01	0.01
Deepak Sethia	0.56	0.82
Deepak Sethia And Sons	0.01	0.02
Sushil Kumar Sethia	0.32	0.47
Kamal Sethia & Sons Huf	0.18	0.27

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Vijay Singh Sethia and Sons Huf	0.02	0.14
Sushil Kumar Sethia & Sons Huf	0.01	0.01
Payable to Key Management Personnel (Selling Shareholders)		
Mr. Kamal Sethia	-	0.53
Mr. Kishore Sethia	-	0.86
Mr. Sanjeev Sethia	-	-
Mr. Vinay Kumar Sethia	-	0.15
Mr. Sumit Sethia	-	0.21
Late Vikas Sethia	-	-
Late Sharad Sethia	-	-
Mr. Gaurav Sethia	-	0.78
Mr. Pradeep Sethia	-	0.23
Ms. Priyanka Sethia	-	0.43
Payable to Relatives of Key Management Personnel (Selling Shareholders)		
Vasudha Sethia	-	0.26
Late Suman Sethia	-	0.94
Kanchan Sethia	-	0.37
Vijay Singh Sethia	-	0.23
Santosh Sethia	-	0.19
Shweta Sethia	-	0.03
Vinay Kumar Sethia & Sons	-	-
Deepak Sethia	-	0.19
Deepak Sethia And Sons	-	0.00
Sushil Kumar Sethia	-	0.11
Kamal Sethia & Sons Huf	-	0.06
Vijay Singh Sethia and Sons Huf	-	0.09
Sushil Kumar Sethia & Sons (Huf)	-	0.00
Payable of Sitting Fees to non-executive directors		
Mr. Kamal Singh Baid	0.13	0.08
Ms. Shilpa Baid	0.06	0.02
Mr. Shantilal Sarnot	0.08	0.04
Mr. Ashis Chandra Guha	0.05	-
Payable to Key Management Personnel (Remuneration)		
Mr. Sumit Sethia	0.35	0.31

* Liability for post employment benefits, other long term benefits, termination benefits and certain short term benefits such as compensated absences and Gratuity is provided on an actuarial basis for the Group as a whole. Accordingly the amount for above pertaining to key management personnel is not ascertainable and, therefore, not included above.

The transactions for the year do not include reimbursement of IPO related expenses and its outstanding payable balances, incurred on behalf of related parties as selling shareholders in Offer for Sale. Refer note 51 of the financial statements for detailed note on IPO and expenses incurred by the Company and allocated to selling shareholders.

Terms and conditions of transactions with related parties :

- The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31st March, 2023: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

42 SEGMENT REPORTING

The Group is engaged in manufacturing of Electronics Manufacturing items. The Board of directors of Elin Electronics Limited takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker. During the year under consideration, the Group operated in a single primary segment in manufacturing of Electronics Manufacturing Services.

The said treatment is in accordance with the guiding principles enacted in Indian Accounting Standard 108 Operating Segments (IND AS 108). Accordingly the Group has disclosed segment information for its secondary segment which is the geographical segment as below:

Geographical Information

Accordingly the Group has disclosed segment information

The geographical information analyses the Group's revenues by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Group's consolidated revenues and receivables by geographical market, regardless of where the goods were produced:

Information by Geographical	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
i. Revenue from external customers		
India	10,392.56	10,717.11
Outside India	24.13	36.49
Total revenue*	10,416.69	10,753.60
ii. Non-current operating assets**		
India	2,386.50	2,370.59
Outside India	-	-
Total	2,386.50	2,370.59
iii. Addition to property, plant and equipment and intangible assets		
India	226.85	643.86
Outside India	-	-
Total	226.85	643.86

*The revenue information above is based on the locations of the customers.

**Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, capital work-in-progress, capital advances and intangible assets.

Information about major customers (from external customers)

Revenue of approximately ₹ 2,682 Millions (26%) [FY 2022-2023: ₹ 4,588 Millions (43%)] are derived from 1 Nos. (FY 2022-2023: 2 Nos.) external customers which individually accounted for more than 10%.

43 CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
a) Gross amount required to be spent by the Company during the year	8.39	7.66
b) Amount approved by the Board to be spent during the year	8.39	7.66
c) Amount spent during the year ending :		
In cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above*	8.52	8.54
Yet to be paid in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Unspent amount deposited in separate bank account		
d) Details related to spent / unspent obligations		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust / other CSR activities undertaken by the Company	8.52	8.54
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
Total unspent amount	-	-
The Company during the year executed following project under Corporate Social Responsibility :		
i) Promotion of Education (Other than ongoing project)		
ii) On promoting health care including preventive health care and sanitation (Other than ongoing project)		
iii) Protection of flora and fauna, animal welfare (Other than ongoing project)		
iv) On promoting National & Rural Sports (Other than ongoing project)		
Details of ongoing project and other than ongoing project		
In case of Section 135(6) (Ongoing project)		
Opening Balance		
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
Amount required to be spent during the year	-	-
Amount spent during the year		
- From Company's bank A/c	-	-
- From Separate CSR Unspent A/c	-	-
Closing Balance		
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
In case of Section 135(5) (Other than ongoing project)		
Opening Balance	-	-
Amount deposited in Specified Fund of Sch. VII within 6 months	-	-
Amount required to be spent during the year	8.39	7.66
Amount spent during the year*	8.52	8.54
Closing Balance	-	-

*The Group during the year has spent more than the required amount

44 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and lease liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include cash and cash equivalents, trade and other receivables that derive directly from its operations.

The Group's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The management has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group has constituted a Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks 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 reflect changes in market conditions and the Group's activities.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

44.1 Financial Instruments by category

The carrying amount of the Group's financial instruments is as below:

Particulars	As at 31 st March, 2024			As at 31 st March, 2023		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
(i) Investments- Equity Instruments (level 2) (Non Current)						
- Non Current	-	14.74	-	-	0.74	-
(ii) Investments- Mutual Funds (level 1) (Current)						
- Current	618.10	-	-	264.70	-	-
(iii) Trade receivables	-	-	1,994.41	-	-	1,974.11
(iv) Cash and cash equivalents	-	-	2.22	-	-	3.94
(v) Bank balances other than (iv) above	-	-	334.84	-	-	992.70
(vi) Loans	-	-	-	-	-	1.60
(vii) Other Financial Assets						
- Non Current	-	-	56.76	-	-	358.32
- Current	-	-	38.71	-	-	25.02
Total financial assets	618.10	14.74	2,426.94	264.70	0.74	3,355.69
Financial liabilities						
(i) Borrowings						
- Non Current	-	-	-	-	-	395.91
- Current (including current maturities of long term borrowings)	-	-	114.76	-	-	382.56
(ii) Lease Liabilities						
- Non Current	-	-	5.10	-	-	5.09
- Current	-	-	0.06	-	-	0.06
(ii) Supplier's credit	-	-	77.08	-	-	-
(iii) Trade payables	-	-	1,085.18	-	-	1,269.06
(iv) Other financial liabilities	-	-	98.89	-	-	132.75
Total Financial liabilities	-	-	1,381.07	-	-	2,185.43

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
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Level I: includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level II: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Group's management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Fair value hierarchy

The disclosure of the financial instruments measured at fair value and valuation technique are as follows:

Particulars	Fair value hierarchy	As at	As at
		31 st March, 2024	31 st March, 2023
Financial assets			
Non current investments - unquoted	Level III	14.74	0.74
Current investments - quoted	Level I	618.10	264.70

Valuation Process

The finance department of the Group includes a team that performs the valuation of financial assets and liabilities required for financial reporting purposes. Changes in level 2 and 3 fair values are analysed at the end of each reporting period. There are no transfers between levels in the fair value hierarchy during the year.

In determining fair value measurement, the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets and liabilities in the financial statements has been considered. These risks in respect of climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount, These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

Significant estimates:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period."

44.2 Management of Financial Risk

A. Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Group has also entered into supply chain finance arrangement to smoothen the payment process of the suppliers. Although the payment terms are not significantly extended beyond the normal credit terms agreed upon with other suppliers, the arrangement helps in making the cashflows more predictable.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows as at the year closing date.

	Notes Nos.	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
As at 31st March, 2024						
Borrowings (excluding lease liabilities)	20, 22	114.76	114.76	-	-	114.76
Lease Liabilities	35	5.16	0.38	1.93	41.46	43.77
Supplier's credit		77.08	77.08	-	-	77.08
Trade payables	23	1,085.18	1,085.18	-	-	1,085.18
Other financial liabilities	24	98.89	98.89	-	-	98.89
As at 31st March, 2023						
Borrowings (excluding lease liabilities)	20, 22	778.47	382.56	395.91		778.47
Lease Liabilities	35	5.15	0.37	1.92	41.86	44.14
Supplier's credit		-	-	-	-	-
Trade payables	23	1,269.06	1,269.06	-	-	1,269.06
Other financial liabilities	24	132.75	132.75	-	-	132.75

B. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI & FVTPL investments. Market risk comprises three types of risks as follows:

i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group 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 following table provides a break-up of the Company's fixed and floating rate borrowings

a. Interest rate risk exposure

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Financial assets		
Variable rate borrowings	114.76	199.65
Fixed rate borrowings	-	578.82

b. Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

The details of the Company's sensitivity to a 1% increase and decrease in interest rate are as follows:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Impact on profit & loss for the year	1.15	2.00
Impact on total equity as at the end of reporting year	0.86	1.49

Impact on profit for the year are gross of tax and impact on total equity is net of tax

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
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ii) **Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when certain purchases and trade payables are denominated in a foreign currency). The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, CNY and JPY. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities denominated in a currency that is not the Group's functional currency

The Group undertakes transactions denominated in foreign currencies and consequently, exposes to exchange rate fluctuations. The Group does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Group.

The foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars		As at	As at
		31 st March, 2024	31 st March, 2023
Trade payable	USD/₹	166.07	112.73
	Amount in FC	1.99	1.35
	JPY/₹	0.71	-
	Amount in FC	1.28	-
	CNY/₹	18.55	6.45
Trade receivable	USD/₹	11.70	18.10
	Amount in FC	0.14	0.22

Foreign currency sensitivity analysis:

The following details are demonstrate The Group's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity and vice-versa.

Impact on profit or (Loss)		As at	As at
		31 st March, 2024	31 st March, 2023
₹ strengthens by 5%	USD Impact	7.72	4.73
	JPY Impact	0.04	-
	CNY Impact	0.93	0.32
₹ weakening by 5%	USD Impact	(7.72)	(4.73)
	JPY Impact	(0.04)	-
	CNY Impact	(0.93)	(0.32)

iii) **Commodity price risk**

Commodity price risk arises from fluctuations in the prices of copper, plastic, and aluminium. The Group has a risk management framework aimed at prudently managing the risks associated with the volatility in commodity prices. Based on the agreement with Customer, the Group transferred any change in commodity prices fluctuation to the customer. Therefore, there is no significant impact from changes in commodity prices in profit & loss.

C. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Trade Receivables

Customer credit risk is managed by each business unit subject to the Group established policy, procedures and control relating to customer credit risk management. To manage trade receivable, The Group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables. The utilization of credit limits is regularly monitored.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 44. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. An impairment analysis is performed at each reporting date for all customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 12.

As at 31st March, 2024

Ageing	0-180 days	181-365 days	More than 365 days	Total
Gross Carrying amount	1,994.69	1.24	0.57	1,996.51
Expected loss rate	0.10%	0.10%	17.77%	
Expected credit losses (loss allowance provision)	2.00	0.00	0.10	2.10
Carrying amount of trade receivables (net of impairment)	1,992.70	1.24	0.47	1,994.41

As at 31st March, 2023

Ageing	0-180 days	181-365 days	More than 365 days	Total
Gross Carrying amount	1,970.15	4.59	1.49	1,976.22
Expected loss rate	0.10%	0.10%	9.22%	
Expected credit losses (loss allowance provision)	1.97	0.00	0.14	2.11
Carrying amount of trade receivables (net of impairment)	1,968.18	4.58	1.35	1,974.11

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Group's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

None of the Group's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

45 CAPITAL MANAGEMENT

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Group is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain investor and creditors confidence.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

The following table provides detail of the debt and equity at the end of the reporting period :

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Gross Debt	114.76	778.47
Less : Cash and Cash equivalents (Note 13)	2.22	3.94
Net Debt (A)	112.54	774.53
Total Equity (B)	5,030.99	4,930.98
Net Debt to Equity Ratio (A/B)	0.02	0.16

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2024 and 31st March, 2023.

46 TAX RECONCILIATION

The major components of income tax expense for the years ended 31st March, 2024 and 31st March, 2023 are:

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Profit or loss section		
Current tax	52.40	79.39
Adjustment of tax relating to earlier period	4.46	0.52
Deferred Tax	1.23	9.09
Income tax expense reported in the statement of profit and loss	58.09	89.00
OCI section		
Tax expense on items that will not be reclassified to profit or loss	(3.10)	(2.29)
	(3.10)	(2.29)

Reconciliation between average effective tax rate and applicable tax rate

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Net Profit as per consolidated statement of profit and loss (before tax)	196.83	357.03
Income tax using the Company's domestic tax rate @ 25.168%	49.54	89.86
Adjustments in respect of current income tax of previous years	4.46	0.52
Non-deductible expenses for tax purposes:		
Impact of taxable of Capital gain at lower rate	0.16	(0.08)
Non deductible expenses	3.93	(1.30)
Total	58.09	89.00

47 RATIO ANALYSIS AND ITS ELEMENTS

Ratios/Measure	Numerator	Denominator	31 st March, 2024	31 st March, 2023	Variation
a) Current ratio	Current Assets	Current Liabilities	2.74	2.43	12.75%
b) Debt equity ratio	Net Debt (including lease liabilities)	Shareholder's Equity	0.02	0.16	(85.21%)

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Ratios/Measure	Numerator	Denominator	31 st March, 2024	31 st March, 2023	Variation
c) Debt service coverage ratio	Earnings for debt service	Total Debt	391.78%	74.86%	423.35%
d) Return on equity %	Net Profits after taxes	Average Shareholder's Equity	2.79%	6.73%	(58.63%)
e) Inventory turnover ratio	Cost of goods sold	Average Inventory	6.59	6.55	0.52%
f) Trade receivables turnover ratio	Revenue from operations	Average Trade Receivable	5.25	5.74	(8.52%)
g) Trade payables turnover ratio	Net credit purchases	Average Trade Payables	6.45	7.08	(8.89%)
h) Net capital turnover ratio	Revenue from operations	Working capital	387.25%	396.01%	(2.21%)
i) Net profit %	Net Profit	Revenue from operations	1.33%	2.49%	(46.56%)
j) Return on capital employed %	Earnings before interest and taxes	Capital Employed	5.29%	8.39%	(36.97%)
k) Return on investment	Interest (Finance Income)	Average Investment	19.91%	14.61%	36.28%

Notes:-

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

"Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

Working Capital implies Current Assets less Current Liabilities.

Capital employed refers to sum of tangible net-worth, total debts and deferred tax liability as at close of year.

Net credit purchases = Gross credit purchases - purchase return

Net Debt = Total borrowings including lease liabilities less cash and cash equivalent.

Explanation for variances exceeding 25%

Schedule III requires explanation where the change in the ratio is more than 25% as compared to the preceding year; hence explanation is given only for the said ratios.

- b) Debt equity ratio is reduced due to repayment of borrowings as part of utilization of IPO proceeds during the year.
- c) Debt service coverage ratio is increased due to repayment of borrowings during the year.
- d, i, j) Due to lower profitability, Return on equity, Net Profit and Return on capital employed ratio have declined.
- k) Return on Investment is increased due to investment in Mutual Fund and Fixed deposit made during the year resulting into higher return compared to last year.

48 OTHER STATUTORY INFORMATION

- i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

- iii) 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
- iv) 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.
- v) The Group 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.
- vi) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vii) The Group is not declared wilful defaulter by and bank or financials institution or lender during the year.
- viii) The Group does not have any other charges or satisfaction as on 31st March, 2024 which is yet to be registered with ROC beyond the statutory period.
- ix) Quarterly returns/statements of current assets filed by the group with banks are not generally in agreement with the books of account and the details are as follows:

Quarter ending	Bank	Account	Value per books of account	Value per quarterly return/statement	Discrepancy *
December, 2023	Citi Bank, HDFC bank and ICICI Bank	Inventory	984.68	966.27	18.41
March, 2024	Citi Bank, HDFC bank and ICICI Bank	Inventory	840.33	858.55	(18.22)
December, 2023	Citi Bank, HDFC bank and ICICI Bank	Trade Receivable	1,090.79	1,084.02	6.77
March, 2024	Citi Bank, HDFC bank and ICICI Bank	Trade Receivable	1,338.84	1,336.64	2.20
September, 2023	HDFC Bank	Inventory	1,073.09	1,068.72	4.37
December, 2023	Citi Bank and ICICI Bank	Inventory	204.79	207.36	(2.57)
March, 2024	Citi Bank and ICICI Bank	Inventory	189.79	190.36	(0.57)

*Note: The bank returns were prepared and filed before the completion of all financial statements closure activities which led to these differences between the final books of accounts and the bank returns which were based on provisional books of accounts.

- x) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- (xi) The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.
- xii) The Group does not have any transactions with companies which are struck off.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

49 PARTICULARS IN RESPECT OF LOANS GIVEN, INVESTMENT MADE OR GUARANTEE GIVEN OR SECURITY PROVIDED AS REQUIRED PURSUANT TO SECTION 186(4) OF COMPANIES ACT, 2013

Nature of Transaction (Loans given / Investment made / Guarantee given / Security provided)	Purpose for which the loan / guarantee / security is proposed to be utilized by the recipient	31 st March, 2024	31 st March, 2023
Loans Given to Others			
ELCINA Electronics Manufacturing Cluster Pvt. Ltd.	To meet the borrower unplanned and out of budget payments. The loan carries interest of 8.75% p.a. and repayable within 12 months.	-	1.60

50 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013.

Name of the Enterprises	Relationship	Net Assets i.e. total assets minus liabilities		Share in Profit or Loss		Share in other comprehensive income for the year ended 31 st March, 2024		Share in total comprehensive income or (loss) for the year ended 31 st March, 2023	
		As % of total consolidated net assets	Amounts (In ₹)	As % of total consolidated Profit or Loss	Amounts (In ₹)	As a % of total consolidated other comprehensive income	Amounts (In ₹)	As a % of consolidated total comprehensive income or (loss)	Amounts (In ₹)
Elin Electronics Limited	Holding Company								
31 st March, 2023		84.81%	4,182.17	78.77%	211.12	107.55%	7.47	83.64%	218.60
31 st March, 2024		84.71%	4,261.63	90.45%	125.50	34.73%	3.19	95.28%	128.69
Elin Appliances Private Limited *	Wholly owned Subsidiary								
31 st March, 2023		15.19%	748.81	21.23%	56.91	(7.55%)	-0.52	16.36%	56.38
31 st March, 2024		15.29%	769.36	9.55%	13.24	65.27%	6.01	4.72%	19.25
Total									
31 st March, 2023		100.00%	4,930.98	100.00%	268.03	100.00%	6.95	100.00%	274.98
31 st March, 2024		100.00%	5,030.99	100.00%	138.74	100.00%	9.20	100.00%	147.94

51 INITIAL PUBLIC OFFERING (IPO)

The Holding Company has completed Initial Public Offer (IPO) of 1,92,30,746 equity shares comprising a fresh issue of 70,85,020 equity shares and offer for sale by selling shareholders of 1,21,45,726 equity shares of face value of ₹ 5 each at premium of ₹ 242 per share aggregating to ₹4,750.00 Million. Pursuant to the IPO, the equity shares of the Holding Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with effect from December 30 2022.

As on 31st March, 2023, the Holding Company had incurred ₹ 266.88 Million as IPO related expenses (incl. provision for certain invoices) and allocated such expenses between the holding company ₹ 98.48 Million and selling shareholders ₹ 168.40 Million. Such amounts were allocated based on agreement with selling shareholders and in proportion to the total proceeds from the IPO. The Holding Company's share of expenses of ₹ 84.37 Million (net of GST credit of ₹ 14.12 Million) has been adjusted to securities premium. Refer note 19 of the consolidated financial statements.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Subsequent to the listing of shares of Holding Company, the IPO related expenses of ₹ 177.64 Million were recovered from the selling shareholders as per the original estimated expenses mentioned in the prospectus filed with RoC. With the finalization of revised issue expenses as mentioned above, sum of ₹ 9.24 Million is payable to selling shareholders at the end of the year and shown under current liabilities. Refer note 24 of the consolidated financial statements.

Detail of Utilization of IPO Proceeds is as under:

Item Head	Estimated net proceeds as per Prospectus	Revised Net Proceeds	Utilized upto 31 st March, 2024	Unutilized as on 31 st March, 2024
Repayment/ prepayment, in full or part, of certain borrowings availed of by our Company	880.00	880.00	880.00	-
Funding capital expenditure towards upgrading and expanding our existing facilities at (i) Ghaziabad, Uttar Pradesh and (ii) Verna, Goa	375.89	375.89	138.97	236.92
General corporate purposes @	395.63	395.63	395.63	-

@ adjusted based on the final share of company's issue expenses.

IPO proceeds which were unutilized as at 31st March, 2024 were temporarily retained/parked in the Fixed Deposits.

52 The Holding Company and its Subsidiary has used an accounting software SAP HANA Web Version – Public Cloud which is operated by a third-party software service provider, for maintaining its books of account. The Holding Company and its Subsidiary is not maintaining the back-up of books of account in servers physically located in India on a daily basis from 1st April, 2023 to 31st March, 2024 in compliance to the Rule 3 of the Companies (Account) Rules, 2014 as backups are performed by the SAP at planned intervals mentioned in the SOC 1 Type 2 for the period 1st April, 2023 to 30th September, 2023.

53 The Holding Company and its Subsidiary has used an accounting software SAP HANA Web Version – Public Cloud which is operated by a third-party software service provider, for maintaining its books of account. Audit trail feature is not covered in SOC 1 Type 2 report for the period 1st April, 2023 to 30th September, 2023 to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of an accounting software where the audit trail has been enabled

As per our report of even date attached
For S.R. BATLIBOI & Co. LLP
Chartered Accountants
Firm Reg. No.: 301003E/E300005

Divya Mathur
Partner
M.No.: 506846

Place : Gurgaon
Date : 30th May, 2024

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540

Place : New Delhi
Date : 30th May, 2024

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

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 with amounts in ₹ Million as on 31st March, 2024)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Elin Appliances Private Limited
2.	The date since when subsidiary was acquired	2 nd November, 2019
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5.	Share capital	2.00
6.	Reserves & surplus	767.36
7.	Total assets	1403.68
8.	Total Liabilities	634.32
9.	Investments	22.98
10.	Turnover	2393.77
11.	Profit before taxation	18.10
12.	Provision for taxation	3.56
13.	Profit after taxation	14.54
14.	Proposed Dividend	Nil
15.	% of shareholding	100%

Note : 1. Names of subsidiaries which are yet to commence operations : Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Notes to Consolidated Financial Statements for the year ended 31st March, 2024 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

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

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540

Place : New Delhi
Date : 30th May, 2024

NOTICE OF ANNUAL GENERAL MEETING



ELIN ELECTRONICS LIMITED

CIN: L29304DL1982PLC428372, Website- www.elinindia.com

Registered & Corporate Office: 4771, Bharat Ram Road, 23, Daryaganj,
New Delhi – 110002; Email id: rkc@elinindia.com, Tel: +91 011 43000400.

Notice is hereby given that the 42nd Annual General Meeting (AGM) of the members of **ELIN ELECTRONICS LIMITED** will be held on Monday, the 30th day of September, 2024 at 10.30 A.M. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), to transact businesses as set out in this notice. The venue of the meeting shall be deemed to be the Registered Office of the Company at 4771, Bharat Ram Road, 23, Daryaganj, New Delhi – 110002. The following businesses will be transacted at the AGM:

ORDINARY BUSINESSSES:

1. To receive, consider and adopt the –
 - a. Audited Standalone Financial Statements of the Company for the financial year ended on 31st March, 2024 together with the Reports of the Board of Directors and Auditors thereon; and
 - b. Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2024 together with the report of Auditors thereon;
2. To appoint a Director in place of Mr. Mangilall Sethia (DIN: 00081367), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Kamal Sethia (DIN: 00081116), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSSES:

4. To approve Elin Electronics Employee Stock Option Plan 2024.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED that based on the recommendation of the Compensation Committee and pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the relevant Rules made thereunder,

the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with all circulars and notifications issued thereunder ('SEBI Regulations'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the applicable provisions of the Foreign Exchange Management Act, 1999, the rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by Reserve Bank of India, as amended and enacted from time to time, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Members of the Company be and is hereby given to the introduction and implementation of 'Elin Electronics Employee Stock Option Plan 2024' ('ESOP 2024'/'the Plan') and authorizing the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee, including the Compensation Committee, which the Board has constituted to exercise its powers including the powers conferred by this resolution and Regulation 5 of the SEBI Regulations and Listing Regulations) to exercise its powers including the powers conferred by this resolution to adopt and implement the ESOP 2024, the salient features of which are furnished in the Explanatory Statement.

RESOLVED FURTHER that consent be and is hereby given to the Board to create, offer, issue, grant and allot from time to time, in one or more tranches, not exceeding 5,00,000 (Five Lakhs only) employee stock options ('Options') to the eligible employees of the Company as per ESOP 2024, exercisable into not exceeding 5,00,000 (Five Lakhs only) equity shares of the face value of ₹ 5/- (Rupees Five only) each fully paid-up where one (1) Option would convert into one (1) equity share upon exercise, on such terms and in such manner as the Board may decide in accordance

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

with the provisions of the applicable laws and the provisions of ESOP 2024.

RESOLVED FURTHER that the equity shares so issued and allotted as mentioned hereinbefore shall rank pari passu with the existing equity shares of the Company.

RESOLVED FURTHER that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other re-organisation, split, change in capital structure of the Company, as applicable from time to time, if any additional Options are granted or equity shares are issued by the Company to the grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling of total number of Options and equity shares specified above shall be deemed to be increased to the extent of such additional Options granted or equity shares issued.

RESOLVED FURTHER that in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be allotted and the price of acquisition payable by the grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such subdivision or consolidation, without affecting any other rights or obligations of the employees who have been granted Options under the ESOP 2024 and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

RESOLVED FURTHER that the Board be and is hereby authorized to take requisite steps for listing of the equity shares allotted under the Plan on the stock exchanges where the equity shares of the Company are listed in due compliance with SEBI Regulations, Listing Regulations and other applicable laws.

RESOLVED FURTHER that the Company shall conform to the accounting policies prescribed from time to time under the SEBI Regulations, Listing Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

RESOLVED FURTHER that the Board be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion, deem necessary including authorising or directing to appoint merchant

bankers, brokers, solicitors and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Plan as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER that the Board be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Plan at any time subject to compliance with applicable laws and regulations and further subject to consent of the Members by way of a special resolution to the extent required under SEBI Regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereto in conformity with the provisions of the Act, SEBI Regulations, the relevant provisions of the Memorandum and Articles of Association of the Company and any other applicable laws in force."

5. To Ratify remuneration of Cost Auditors.

To consider and if thought fit, to pass, 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 as amended from time to time, the remuneration payable to M/s Bhavna Jaiswal & Associates, Cost Accountants (Firm Registration number 100608), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025, amounting to ₹ 75000/- plus out-of-pocket expenses & Goods & service tax as applicable incurred in connection with the aforesaid audit, be and is hereby ratified."

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 5th May, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 19/2021 dated 8th December, 2021, Circular No. 21/2021 dated 14th December, 2021, Circular No. 2/2022 dated 5th May, 2022, Circular No. 10/2022 dated 28th December, 2022 and Circular No. 09/2023 dated 25th September, 2023 in relation to “Clarification on holding of Annual General Meeting (“AGM”) through video conferencing (“VC”) or Other Audio Visual Means (“OAVM”)” read with other Circulars, as may be applicable (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Circular No. SEBI/ HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, Circular no. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated 5th January, 2023 and Circular No. SEBI/ HO//CFD/CFD-PoD-2/P/ CIR/2023/167 dated 7th October, 2023 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015” (collectively referred to as “SEBI Circulars”) permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the 42nd AGM of the Members of the Company is being held through VC /OAVM. The Company has appointed Central Depository Services (India) Limited (‘CDSL’) for providing facilities in respect of:

- (a) voting through remote e-voting;
- (b) participation in the AGM through VC/OAVM facility;
- (c) e-voting during the AGM.

The deemed venue for the AGM shall be the Registered Office of the Company. The detailed procedure for participation in the meeting through VC/OAVM is annexed hereto.

2. An Explanatory Statement pursuant to Section 102 of the Act, relating to special businesses to be transacted at the AGM, is annexed hereto.
3. Details of the Directors proposed to be appointed / re-appointed as required in terms of Regulation 36(3) of the Listing Regulations and Secretarial Standards on

General Meetings (“Secretarial Standards – 2”) issued by The Institute of Company Secretaries of India, are provided at the end as an Annexure, and forms an integral part of this Notice.

4. The Company’s Registrar and Transfer Agent (RTA) is KFin Technologies Limited, Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Hyderabad 500 032.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars on AGM through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the proxy form, attendance slip and route map are not annexed to this Notice.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection during the AGM upon login at CDSL e-voting system.
7. Pursuant to Sections 101 and 136 of the Act read with the relevant Rules made thereunder and Regulation 36 of the Listing Regulations read with SEBI circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5 January, 2023 and SEBI/HO//CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023, companies can send Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company or with the Depository Participant(s). Physical copy of the Annual Report shall be sent to those Members who request for the same.
8. The Notice and Annual Report will also be available on the Company’s website https://www.elinindia.com/investors/#Annual_Reports, 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 CDSL i.e. www.evotingindia.com.
9. The Annual Report for the 2023-24 including notice of AGM is being sent to those members/ beneficial owners whose name appear in the register of members/list of beneficiaries received from the depositories as on Friday, 30th August, 2024.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

10. Members, whose email address is not registered with the Company /RTA or with their respective Depository Participant(s) are requested to register their e-mail address in the following manner:
 - Members holding shares in physical form can register their e-mail id with the RTA by sending an e-mail to RTA at einward.ris@kfintech.com.
 - Members holding shares in demat mode may update the email address through their respective Depository Participant(s).
 11. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Monday, 23rd September, 2024. Members are eligible to cast vote only if they are holding shares as on that date and a person who is not a member as on the cut off date should treat this notice for information purposes only.
 12. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories and Company's RTA as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through VC/ OAVM.
 13. Members of the Company who acquires shares after the sending of Notice by the Company and hold shares as on the cut-off date i.e. Monday, 23rd September, 2024 shall follow the same procedure for e-Voting as mentioned at points no. 20 to 24.
 14. In terms of the Listing Regulations, securities of listed companies can now only be transferred in dematerialized form, so the Members are advised to dematerialize shares held by them in physical form.
 15. 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 to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant(s) (DP's) and holdings should be verified from time to time.
 16. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
 17. Non-Resident Indian members are requested to inform RTA/respective DP's, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code and address of the bank with pin code number, if not furnished earlier.
 18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding the shares in physical form can submit their PAN details to the Company/RTA.
 19. Members are requested to note that under Section 124 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), 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 of India. The Company has uploaded information of unclaimed dividends on its website upto the financial year ended 31st March, 2024 at www.elinindia.com. The concerned members are requested to verify the details of their unclaimed amounts, if any, from the said websites and write to the Company's Secretarial department at Corporate Office / RTA before the same becoming due for transfer to the Investor Education and Protection Fund.
- 20. AGM THROUGH VIDEO CONFERENCING**
- The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- The remote voting period begins on Friday, 27th September, 2024 (9:00) a.m. and ends on Sunday, 29th September, 2024 (5:00) p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Monday, 23rd September, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The facility for e-Voting will also be made available during the AGM and the Shareholders attending the AGM who have not cast their vote by remote e-Voting shall be eligible to vote through the e-Voting system during the AGM. The Shareholders who have cast their vote by remote e-Voting may also attend the AGM but shall not be entitled to cast their vote again.
- In order to increase the efficiency of the voting process, all the demat account holders, by way

of a single login credential, through their demat accounts/websites of Depositories/Depository Participants, able to cast their vote without having to register again with the e-Voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

21. THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 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 to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 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 the Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at cdsi 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.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nSDL.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
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 21 09911.
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 toll free no.: 022-4886 7000 and 022-2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- After entering these details appropriately, click on "SUBMIT" tab.
 - Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - Click on the EVSN of the ELIN ELECTRONICS LIMITED on which you choose to vote.
 - On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- 22. ADDITIONAL FACILITY FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS –FOR REMOTE E-VOTING ONLY.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cDSLindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at fcs.ppa@gmail.com and to the Company at the email address viz; agm42@elinindia.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- 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.
- Members desiring any information/clarification on the accounts or any matter to be placed at the AGM are requested to write to the Company at agm42@elinindia.com at least seven days before AGM from their registered email address mentioning their name, DPID Client ID / Folio no. and mobile number to enable the management to keep information ready at the AGM. Members desiring to seek information/clarification during the AGM on the accounts or any matter to be placed at the AGM may ask through the chat box facility provided by CDSL. These queries will be replied by the Company suitably by email.
- Only those shareholders, who are 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 available during the AGM.
- If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

23. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company i.e. ELIN ELECTRONICS LIMITED will be displayed after successful login as per the instructions mentioned above for remote e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

24. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to RTA at einward.ris@kfintech.com.
- For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

- For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:evoting@cdslindia.com) or call toll free no. 1800 21 09911.

25. OTHER INFORMATION

- Mr. Pramod Prasad Agarwal from P.P. Agarwal & Co., Company Secretaries (CP No. 10566) has been appointed as the Scrutinizer to scrutinize the remote e-voting and e-voting during the meeting in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 2 (two) working days from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
- The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [https://www .elinindia.com](https://www.elinindia.com) and on the website of CDSL at www.evotingindia.com immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
- Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e. Monday, 30th September, 2024.
- The recorded transcript of the AGM will be hosted on the website of the Company at www.elinindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 4:

Members may note that the Nomination and Remuneration Committee ('Compensation Committee') formulated the detailed terms and conditions of the Employee Stock Option Plan viz. 'Elin Electronics Employee Stock Option Plan 2024' ('ESOP 2024'/the Plan'), which were duly approved by the Board of Directors at its meeting held on 30th May, 2024, subject to approval of the Members.

Members further note that the primary objectives of the aforementioned Plan is to reward the employees for their association, dedication and contribution to the goals of the Company. The Company intends to use this Plan to attract and retain the key talent by way of rewarding their performance and motivating them to contribute to the overall corporate growth and profitability. The Company views employee stock option plan as a long-term incentive tool that would assist in aligning employees' interest with that of the shareholders and enable the employees not only to become co-owners, but also to create wealth out of such ownership in future. The initiative is being introduced to link the employee's performance in the Company along with other initiatives which would contribute to improve the performance of the Company

Under the Plan, the Company would grant up to 5,00,000 (Five Lakhs only) Employee Stock Options ('Options'), in one or more tranches, to such eligible employees as may be determined by the Compensation Committee in terms of the Plan, that would entitle the grantees (in aggregate) to subscribe up to 5,00,000 (Five Lakhs only) fully paid-up equity shares with face value of ₹ 5/- (Rupees five only) each. As per the provisions of Section 62(1)(b) of the Act read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, as amended and Regulation 6 of the SEBI Regulations, the Company seeks approval of the Members by way of Special Resolution for adoption and implementation of ESOP 2024 to the eligible employees of the Company as the Compensation Committee may decide under the Plan. The Plan has been formulated in accordance with the provisions of the Act and SEBI Regulations.

The salient features of the Plan as required under Regulation 6 of the SEBI Regulations are set out as below:

(i) Brief Description of the Plan:

In view of the aforesaid objectives, the Plan contemplates grant of Options to the eligible employees of the Company.

After vesting of Options, the eligible employees earn a right, but not obligation, to exercise the vested Options within the exercise period and obtain equity shares of

the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon and other terms and conditions of the Plan.

The Nomination and Remuneration Committee ('NRC') shall act as the Compensation Committee for the administration of the Plan. All questions of interpretation of the Plan shall be determined by the Compensation Committee and such determination shall be final and binding upon all persons having an interest in the Plan.

(ii) Total number of Options to be granted:

Under the Plan, the Company would grant up to 5,00,000 (Five Lakhs only) Options, in one or more tranches, to such eligible employees as may be determined by the Compensation Committee in terms of the Plan, that would entitle the grantees (in aggregate) to subscribe up to 5,00,000 (Five Lakhs only) fully paid-up equity shares with face value of ₹ 5/- (Rupees Five only) each. Further, SEBI Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division, etc., a fair and reasonable adjustment needs to be made to the Options granted.

In this regard, the Compensation Committee shall adjust the number or the exercise price of the Options granted or both in such a manner that the total value of the Options granted under the Plan remain the same after any such corporate action. Accordingly, if any additional Options are issued by the Company to the Option Grantees for making such fair and reasonable adjustment, the ceiling of aforesaid shall be deemed to be increased to the extent of such additional Options issued.

(iii) Identification of classes of employees entitled to participate in the Plan:

Subject to determination or selection by the Compensation Committee, the following classes of employees/directors are eligible being:

- a) an employee as designated by the Company, who is exclusively working in India or outside India;
- b) a Director in the whole-time employment of the Company, who is not a promoter or member of the promoter group, but does not include-

- (i) an employee who is a promoter or belongs to the promoter group; or
- (ii) a Director who either by himself or through his relatives or through any body corporate,

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

directly or indirectly holds more than 10% of the outstanding equity shares of the Company; or (iii) an Independent Director.

The Compensation Committee while granting the Options to any eligible employee(s), shall at its discretion, consider the factors including but not limited to the role(s) of such employee(s) or such employee's contribution to the Company or other factors such as grade, performance, merit, key position, future potential contribution and conduct of the employees, etc.

(iv) Requirements of Vesting and period of Vesting:

All the Options granted on any date shall vest not earlier than the minimum vesting period of 1 (one) year from the grant date. The vesting dates and relative percentages shall be determined by the Compensation Committee and may vary from employee to employee or any class thereof. Vesting of Options would be subject to continued employment with the Company. In addition to this, the Compensation Committee may also specify certain performance criteria subject to satisfaction of which the Options would vest.

The Compensation Committee may extend, shorten or otherwise vary the vesting period from time to time, in accordance with the applicable law.

(v) Maximum period within which the Options shall be vested:

The maximum period within which the Options shall vest will be decided by the Compensation Committee at the time of grant.

(vi) Exercise price or pricing formula:

The Exercise Price shall be such price, as determined by the Compensation Committee from time to time and as evidenced in the Letter of Grant unless subsequently modified by the Compensation Committee. For the avoidance of doubt, note that the Exercise price may be different for different set of Employees for Options granted on same / different dates.

(vii) Exercise period and the process of exercise:

The Vested Options with an Option Grantee while in employment/service with the Company may be Exercised anytime within 180 days from the Vesting Date, failing which the Vested Options shall

automatically lapse, unless otherwise decided by the Compensation Committee. During this period, the Vested Options may be Exercised by the Option Grantee at one time or at various points of time, in line with such procedures as may be determined by the Compensation Committee from time to time.

The exercise period of vested options in case of resignation, termination, retirement, death and permanent incapacity shall be as per ESOP 2024. The Stock Options will be exercisable at one time or at various points of time within the exercise period by the employees as per the process set by the Compensation Committee from time to time. The Stock Options will lapse if not exercised within the specified exercise period.

(viii) Appraisal process for determining the eligibility of employees under the Plan:

The appraisal process for determining eligibility shall be decided from time to time by the Compensation Committee. The broad criteria for appraisal and selection may include parameters such as length of service, grade, individual performance ratings over past few years, present contribution, potential contribution, and/or such other criteria that may be determined by the Committee at its sole discretion, which would be final and binding.

(ix) Maximum number of Options to be issued per employee and in aggregate:

The maximum number of Options under the Plan shall not exceed 5,00,000 (Five Lakh only) Options which are convertible into 5,00,000 (Five Lakh only) equity shares.

The maximum number of Options that may be granted to each Employee during a year shall not be equal to or exceed 1% of issued capital at the time of grant.

(x) Maximum quantum of benefits to be provided per employee under the Plan:

The maximum quantum of benefits that will be provided to any eligible employee under the Plan will be the difference between the market value of Company's shares on the stock exchanges as on the date of exercise of Options and the exercise price and tax amount as may be applicable paid by the employee. Apart from grant of Options as stated above, no other benefits are contemplated under the Plan.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

(xi) Whether the scheme is to be implemented and administered directly by the Company or through a trust:

The Plan shall be implemented and administered directly by the Company.

(xii) Whether the scheme involves new issue of shares by the Company or secondary acquisition by the trust or both:

The Plan contemplates issue of fresh/primary equity shares by the Company.

(xiii) Amount of loan to be provided for implementation of the scheme(s) by the Company, its tenure, utilization, repayment terms, etc.:

Not applicable since this is currently not contemplated under the Plan.

(xiv) Maximum percentage of secondary acquisition that may be made for the purposes of the scheme(s):

Not applicable since this is currently not contemplated under the Plan.

(xv) Accounting and Disclosure Policies:

The Company shall follow the IND AS 102 on Share based payments and/or any relevant accounting standards/guidance note as may be prescribed by the Institute of Chartered Accountants of India or any other competent authority, from time to time, including the disclosure requirements prescribed therein, in compliance with Regulation 15 of SEBI Regulations.

(xvi) Method of valuation of Options by the Company:

The Company shall adopt 'fair value method' for valuation of options as prescribed under IND AS 102 on Share-based payments or any accounting standard/ guidance note, as applicable, notified by competent authorities from time to time.

(xvii) Declaration:

In case, the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

(xviii) Period of lock-in:

The Shares issued pursuant to exercise of vested Options shall not be subject to any lock-in period restriction in general. Usual restrictions as may be prescribed under the applicable laws including that under the code of conduct framed, if any, by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, shall apply.

(xix) Terms & conditions for buyback, if any, of specified securities/Options covered granted under the Plan:

Subject to the provisions of the applicable laws, the Compensation Committee shall determine the procedure for buy-back of the specified securities/ Options if to be undertaken at any time by the Company and the applicable terms and conditions thereof.

Pursuant to Regulation 6(1) of SEBI Regulations and Section 62(1)(b) of the Act, approval of the Members is being sought, by way of a special resolution, for approval of the Plan and issue of shares to the eligible employees of the Company under the said Plan as detailed in Resolution No.4 of this Notice.

The issue of the said equity shares would be well within the Authorised Share Capital of the Company.

A draft copy of the Plan will be available for inspection during business hours in the electronic mode from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send the e-mail to agm42@elinindia.com.

The Options to be granted under the Plan shall not be treated as an offer or invitation made to public for subscription of securities of the Company. The Plan conforms to the SEBI Regulations.

Except Chief Executive Officer, Key Managerial Personnel of the Company, to the extent they may be lawfully granted Options under the ESOP 2024, none of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned financially or otherwise in the proposed resolution as set out at item no. 4 of the Notice.

Item No. 5

In accordance with the provision of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules) the Company is

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

required to appoint a cost auditor to audit the cost records of the Company, for product and services, specified under Rules issued in pursuance to the above Section. On the recommendation of the Audit Committee, the Board of Directors had approved appointment of M/s Bhavna Jaiswal & Associates, Cost Accountant (Firm Registration number 100608), as the Cost Auditor of the Company to conduct audit of cost records maintained by the Company for the 2024-25 at a remuneration of ₹ 75,000 plus applicable tax and out of pocket expenses. M/s Bhavna Jaiswal & Associates, Cost Accountants, have furnished certificate regarding their eligibility for appointment as Cost Auditors of the Company. In accordance with the provision of Section 148 of the Act read with the Rules, the remuneration payable to the cost auditor has to be ratified by the shareholder of the Company.

The Board recommends the resolution set out at Item No. 5 of the Notice for your approval as an Ordinary Resolution.

None of the Directors and their relatives is concerned or interested, in the proposed Resolution.

**BY ORDER OF THE BOARD OF DIRECTORS
For Elin Electronics Limited**

sd/-

Lata Rani Pawa

Company Secretary & Compliance Officer
M.NO-A30540

Place: New Delhi

Date: 06th August, 2024

Registered Office:

4771, Bharat Ram Road,

23, Daryaganj,

New Delhi – 110002,

CIN: L29304DL1982PLC428372,

Website: www.elinindia.com

Emailid: rkc@elinindia.com

Tel: +91 011 43000400

Annexure

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 42ND ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS – 2).

Name of Director	KAMAL SETHIA	MANGILALL SETHIA
Category of Directorship	MANAGING DIRECTOR	WHOLE-TIME DIRECTOR
DIN	00081116	00081367
Date of Birth	28-10-1957	07-12-1937
Age	67 Years	86 years
Date of Appointment on the Board	06/08/2007	26-03-1982
Qualification, Experience & Expertise in Specific Functional Areas	Kamal Sethia, is the Managing Director of the Company. He is also a Promoter of the Company and has been a part of the Company since 1992. He holds a bachelor's degree in commerce from University of Delhi. He has approximately 44 years of experience in electronic manufacturing services sector.	Mangi Lall Sethia, is the Chairman & Wholetime Director of the Company. He is also a Promoter of the Company and has been associated since its incorporation. He holds a master's degree in arts from Jain Vishva Bharati Institute (Deemed University), Ladnun. He has 67 years of experience in electronic manufacturing services sector.
No. of other Directorships	Kanchan Commerical Co. Private Limited Magtronic Devices Pvt. Ltd	KLJ Plasticizers Ltd Kanchan Commerical Co. Private Limited
Listed entities from which Director has resigned in last 3 years	Nil	Nil
Chairman / Member of the Committees of the Board of Elin Electronics Limited	Audit committee- Member Stakeholders Relationship committee- Member CSR Committee- Member Risk Management committee- Member	Nil
Committee Membership/ Chairmanship in other Companies	Nil	Member- Nomination and Remuneration Committee (KLJ Plasticizers Ltd)
Shareholding (including shareholding as a beneficial owner) in Elin Electronics Limited as on 31 st March, 2024	15,68,991 Equity Shares & Kamal Sethia & sons HUF- 1,83,174 Equity Shares	72,247 Equity shares as Trustee- Dhani Devi Sethia Trust
Number of Board Meetings attended during the year	4/6	6/6
Terms and conditions of appointment / re-appointment	Director liable to retire by rotation	Director liable to retire by rotation
Remuneration sought to be paid and the remuneration Last drawn	₹ 8,00,000 per month including perquisites, and the remuneration Last drawn was also ₹ 8,00,000 per month including perquisites.	₹ 4,00,000 per month including perquisites, and the remuneration Last drawn was also ₹ 4,00,000 per month including perquisites.
Relationship with Other Directors, Manager and Key Managerial Personnel	Mr. Kishore Sethia, Key Managerial Personnel and Mr. Mangilall Sethia, Chairman and Whole-time Director are relative of Mr. Kamal Sethia, Managing Director.	Mr. Kamal Sethia, Managing Director and Mr. Kishore Sethia, Key Managerial Personnel are relatives of Mr. Mangilall Sethia, Chairman and Whole-time Director.