S.R. BATLIBOI & CO. LLP
Chartered Accountants

67, Institutional Area
Sector 44, Gurugram- 122 003
Haryana, India
Tel: +91 124 681 6000

# INDEPENDENT AUDITOR'S REPORT

To the Members of IL JIN Electronics (India) Private Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of IL JIN Electronics (India) Private 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 loss, 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.

### Other Information

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

Our opinion on the 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 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.

The Director report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

S.R. Batliboi & Co. LLP Gurugram

**Responsibility 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 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.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone 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 paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone 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 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 41 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, other than as disclosed in the note 8 to the standalone financial statements, 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. No dividend has been declared or paid during the year by the Company.

S. R. Batliboi & Co. LLP
Gurugram

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, as described in note 57 to the standalone financial statements, audit trail feature is not enabled for direct changes to data when using certain access rights and also for certain changes made using privileged/ administrative access right. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

**per Vishal Sharma**
Partner
Membership Number: 096766

UDIN: 24096766BKFFSK1882

Place of Signature: Gurugram
Date: May 17, 2024

**Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date**

**Re: IL JIN Electronics (India) Private 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.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) 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 management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed.

(b) As disclosed in note 26 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of INR 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 standalone financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company do not have sanctioned working capital limits in excess of INR five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies or any other parties are not prejudicial to the Company's interest.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

S.R. Batliboi & Co. LLP Gurugram

(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) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) 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 printed circuit boards and electronic components, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same

(vii)(a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

(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 standalone 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 standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or Joint ventures. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(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.

S.R. Batliboi & Co. LLP Gurugram

(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 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) 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) 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 standalone 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.

(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) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 45 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 53 to the standalone 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 53 to the standalone financial statements.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

**per Vishal Sharma**
Partner
Membership Number: 096766

UDIN: 24096766BKFFSK1882

Place of Signature: Gurugram
Date: May 17, 2023

**Annexure '2' to the Independent Auditor's Report of even date on the standalone financial statements of IL JIN Electronics (India) Private 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 IL JIN Electronics (India) Private 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.



**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 Vishal Sharma**
Partner
Membership Number: 096766

UDIN: 24096766BKFFSK1882

Place of Signature: Gurugram
Date: May 17, 2024

IL JIN Electronics (India) Private Limited
CIN : U31909PN2001PTC224946
Standalone Balance Sheet as at 31 March 2024
(All amount in INR in lakh unless otherwise stated)

| | Notes | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 4 | 14,789.71 | 9,077.07 |
| Capital work-in-progress | 5 | 1,220.77 | 135.96 |
| Intangible assets | 6 | 383.19 | 252.13 |
| Right-of-use assets | 45 | 2,562.67 | 2,882.63 |
| Intangible assets under development | 7 | 1,257.22 | 766.74 |
| Financial assets | | | |
| Investments | 8 | 32,865.13 | 66.00 |
| Other financial assets | 9 | 222.00 | 220.06 |
| Income tax assets (net) | 10 | 1,000.96 | 704.84 |
| Other non-current assets | 11 | 671.17 | 489.94 |
| **Total non-current assets** | | **54,973.12** | **14,615.67** |
| **Current assets** | | | |
| Inventories | 12 | 8,917.98 | 12,711.83 |
| Financial assets | | | |
| Trade receivables | 13 | 11,939.38 | 6,694.27 |
| Cash and cash equivalents | 14 | 1,080.40 | 228.27 |
| Other bank balances | 15 | 11.18 | 14.74 |
| Loans | 16 | 12.57 | 37.97 |
| Other financial assets | 17 | 687.38 | 44.97 |
| Other current assets | 18 | 1,461.68 | 3,859.67 |
| **Total current assets** | | **24,110.57** | **25,591.72** |
| **Total assets** | | **79,083.69** | **40,207.39** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Equity share capital | 19 | 188.66 | 188.66 |
| Other equity | 20 | 6,643.53 | 5,634.58 |
| **Total equity** | | **6,832.19** | **5,823.24** |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 21 | 37,436.88 | 2,778.48 |
| Lease liabilities | 22 | 1,992.32 | 2,167.68 |
| Other financial liabilities | 23 | 1,760.00 | - |
| Provisions | 24 | 206.22 | 148.98 |
| Deferred tax liabilities (net) | 25 | 777.12 | 671.11 |
| **Total non-current liabilities** | | **42,172.54** | **5,766.25** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 26 | 4,326.84 | 1,675.08 |
| Lease liabilities | 22 | 402.39 | 388.62 |
| Trade payables | 27 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | | 112.70 | 614.72 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 16,095.70 | 13,414.52 |
| Other financial liabilities | 28 | 5,362.38 | 989.74 |
| Other current liabilities | 29 | 3,746.05 | 11,522.89 |
| Provisions | 30 | 32.90 | 12.33 |
| **Total current liabilities** | | **30,078.96** | **28,617.90** |
| **Total liabilities** | | **72,251.50** | **34,384.15** |
| **Total equity and liabilities** | | **79,083.69** | **40,207.39** |
| **Summary of material accounting policies** | 2 | | |
| **The accompanying notes are an integral part of standalone financial statements** | | | |

As per our report of even date attached

**For S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 301003E/E300005

**per Vishal Sharma**
Partner
**Membership Number**: 096766

**Place:** Gurugram
**Date:** 17 May 2024

For and on behalf of Board of Directors of
**IL JIN Electronics (India) Private Limited**

**Jasbir Singh**
Director
DIN: 00259632

**Place:** Gurugram
**Date:** 17 May 2024

**Daljit Singh**
Director
DIN No.: 02023964

**Place:** Gurugram
**Date:** 17 May 2024

**Sakshi Gupta**
Company Secretary
Membership No. A56036

**Place:** Gurugram
**Date:** 17 May 2024

**IL JIN Electronics (India) Private Limited**
**CIN : U31909PN2001PTC224946**
**Standalone Statement of Profit and Loss for the year ended 31 March 2024**
**(All amount in INR in lakh unless otherwise stated)**

| | Notes | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 31 | 91,336.67 | 88,039.40 |
| Other income | 32 | 177.90 | 236.41 |
| **Total income** | | **91,514.57** | **88,275.81** |
| | | | |
| **Expenses** | | | |
| Cost of raw materials consumed | 33 | 74,885.15 | 82,722.11 |
| Purchase of traded goods | | 3,433.66 | - |
| Changes in inventories of intermediate products (including manufactured components) and finished goods | 34 | 326.99 | (2,478.07) |
| Employee benefits expense | 35 | 3,214.50 | 1,592.94 |
| Finance costs | 36 | 1,667.46 | 648.24 |
| Depreciation and amortisation expense | 37 | 1,626.63 | 896.82 |
| Other expenses | 38 | 5,205.85 | 3,231.08 |
| **Total expense** | | **90,360.24** | **86,613.12** |
| | | | |
| **Profit before tax** | | **1,154.33** | **1,662.69** |
| **Tax expense** | | | |
| Current tax | 44 | 201.45 | 243.27 |
| Deferred tax charge | 44 | 106.48 | 279.34 |
| **Profit for the year** | | **846.40** | **1,140.08** |
| | | | |
| **Other comprehensive (loss)/income** | | | |
| Items that will not be reclassified to profit and loss in subsequent periods | | | |
| Re-measurement (loss)/gain on defined benefit obligations | | (1.34) | 9.41 |
| Income tax relating to these items | 44 | 0.47 | (2.62) |
| **Other comprehensive (loss)/gain for the year, net of tax** | | **(0.87)** | **6.79** |
| | | | |
| **Total comprehensive income for the year, net of tax** | | **845.53** | **1,146.87** |
| | | | |
| **Earning per equity share** | | | |
| **(Nominal value of equity share INR 10 each)** | | | |
| Basic | 39 | 44.86 | 60.43 |
| Diluted | 39 | 44.86 | 60.43 |
| | | | |
| **Summary of material accounting policies** | 2 | | |
| **The accompanying notes are an integral part of standalone financial statements** | | | |

As per our report of even date attached

**For S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 301003E/E300005

**per Vishal Sharma**
Partner
Membership Number: 096766

S.R. Batliboi & Co. LLP Gurugram

**Place:** Gurugram
**Date:** 17 May 2024

For and on behalf of Board of Directors of
**IL JIN Electronics (India) Private Limited**

**Jasbir Singh**
Director
DIN: 00259632

**Daljit Singh**
Director
DIN No.: 02023964

**Place:** Gurugram
**Date:** 17 May 2024

IL JIN Electronics (India) Private Limited

**Sakshi Gupta**
Company Secretary
Membership No. A56036

**Place:** Gurugram
**Date:** 17 May 2024

IL JIN Electronics (India) Private Limited
CIN : U31909PN2001PTC224946
Standalone Statement of Cash Flows for the year ended 31 March 2024
(All amount in INR lakh unless otherwise stated)

| | | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **A. Cash flows from operating activities** | | | |
| **Profit before tax** | | 1,154.33 | 1,662.69 |
| **Adjustment to reconcile profit before tax to net cash flows:** | | | |
| Depreciation and amortisation expense | | 1,626.63 | 896.82 |
| Bad debts | | - | 7.47 |
| Interest income | | (11.83) | (4.32) |
| Gain on disposal of property, plant and equipment (net) | | (56.84) | (0.68) |
| Share based payment expenses | | 163.42 | 69.54 |
| Liabilities no longer required written back | | - | (0.42) |
| Government grant income | | (600.00) | - |
| Unrealised foreign exchange gain (net) | | (61.23) | (15.31) |
| Finance costs | | 1,667.46 | 648.24 |
| **Working capital adjustments:** | | | |
| (Increase) in trade receivables | | (5,245.11) | (420.26) |
| Decrease/(increase) in inventories | | 3,793.85 | (6,381.34) |
| Decrease/(increase) in non-financial assets | | 4,319.57 | (3,594.68) |
| (Increase) in financial assets | | (8.12) | (87.14) |
| Increase in trade payables | | 2,240.39 | 2,663.91 |
| Increase in provisions | | 76.47 | 46.27 |
| (Decrease)/increase in non-financial liabilities | | (7,776.84) | 10,858.20 |
| Increase in financial liabilities | | 123.29 | 88.30 |
| **Cash generated from operations** | | **1,405.44** | **4,439.29** |
| Income tax paid/(refund) (net) | | (497.58) | (245.22) |
| **Net cash flows from operating activities** | **A** | **907.86** | **4,194.07** |
| **B. Cash flows from investing activities** | | | |
| Investment made in equity instrument of joint venture | | (5.00) | - |
| Acquisition of subsidiary, net of cash acquired | | (29,600.13) | - |
| Purchase of property, plant and equipment, capital work in progress, intangible assets and intangible assets under development | | (6,332.86) | (5,302.97) |
| Proceeds from sale of property, plant and equipment | | 172.36 | 20.70 |
| Movement in bank deposits (net) | | 3.56 | 10.35 |
| Proceeds from sale of investment in equity | | 66.00 | - |
| Interest received on bank deposits | | 1.00 | 0.80 |
| **Net cash flows used in investing activities** | **B** | **(35,895.07)** | **(5,271.12)** |
| **C Cash flows from financing activities:** | | | |
| Proceeds/(repayment) from short term borrowings (net) | | 2,500.00 | (198.34) |
| Proceeds from long term borrowings | | 3,470.12 | 2,920.42 |
| Repayment of long term borrowings | | (870.61) | (720.81) |
| Proceeds from issue of optional fully convertible debentures to related party | | 31,000.00 | - |
| Loan from related party (net) | | 1,210.65 | - |
| Payment of principal portion of lease liabilities | | (161.59) | (90.90) |
| Payment of interest portion of lease liabilities | | (247.02) | (82.87) |
| Finance costs paid | | (1,062.21) | (530.66) |
| **Net cash flows from financing activities** | **C** | **35,839.34** | **1,296.84** |
| **D Net increase in cash and cash equivalent (A+B+C)** | | **852.13** | **219.79** |
| E Cash and cash equivalents at the beginning of the year | | 228.27 | 8.48 |
| **Cash and cash equivalents at the end of the year (D+E) (refer note 14)** | | **1,080.40** | **228.27** |

| **Cash and cash equivalents includes:** | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Balances with banks: | | |
| - in current and cash credit accounts | 1,068.57 | 216.93 |
| - deposits with original maturity of less than three months | 11.33 | 10.84 |
| Cash in hand | 0.50 | 0.50 |
| **Cash and cash equivalents** | **1,080.40** | **228.27** |

**Summary of material accounting policies** 2
**The accompanying notes are an integral part of standalone financial statements**

As per our report of even date attached

**For S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 301003E/E300005

**per Vishal Sharma**
Partner
Membership Number: 096766

**Place:** Gurugram
**Date:** 17 May 2024

For and on behalf of Board of Directors of
**IL JIN Electronics (India) Private Limited**

**Jashit Singh**
Director
DIN: 00259632

**Place:** Gurugram
**Date:** 17 May 2024

**Daljit Singh**
Director
DIN No.: 02023964

**Place:** Gurugram
**Date:** 17 May 2024

**Saksbi Gupta**
Company Secretary
Membership No. A56036

**Place:** Gurugram
**Date:** 17 May 2024

IL JIN Electronics (India) Private Limited
CIN : U31909PN2001PTC224946
Standalone Statement of Changes in Equity for the year 31 March 2024
(All amount in INR in lakh unless otherwise stated)

A Equity share capital

| | No. of Shares | Amount |
|---|---|---|
| **Balance as at 31 March 2024** | | |
| **At 1 April 2023** | 18,86,590 | 188.66 |
| Changes in equity share capital during the year | - | |
| **At 31 March 2024** | 18,86,590 | 188.66 |
| | | |
| **Balance as at 31 March 2023** | | |
| **At 1 April 2022** | 18,86,590 | 188.66 |
| Changes in equity share capital during the year | - | - |
| **At 31 March 2023** | 18,86,590 | 188.66 |

B. Other equity

| Particulars | Reserves and surplus (refer note 20) | | | |
|---|---|---|---|---|
| | Securities premium | Employee stock option outstanding account | Retained earnings | Total |
| **For the year ended 31 March 2024** | | | | |
| **As at 1 April 2023** | 179.73 | 69.54 | 5,385.31 | 5,634.58 |
| Profit for the year | - | - | 846.40 | 846.40 |
| Other comprehensive income | | | | |
| Share based payment expenses (refer note 52) | - | 163.42 | - | 163.42 |
| Remeasurement (loss) of defined benefit obligations (net of tax) | - | - | (0.87) | (0.87) |
| **As at 31 March 2024** | 179.73 | 232.96 | 6,230.84 | 6,643.53 |
| | | | | |
| **For the year ended 31 March 2023** | | | | |
| **Balance as at 01 April 2022** | 179.73 | - | 4,238.44 | 4,418.17 |
| Profit for the year | - | - | 1,140.08 | 1,140.08 |
| Share based payment expenses (refer note 52) | - | 69.54 | - | 69.54 |
| Remeasurement gain of defined benefit obligations (net of tax) | - | - | 6.79 | 6.79 |
| **As at 31 March 2023** | 179.73 | 69.54 | 5,385.31 | 5,634.58 |

**Summary of material accounting policies** 2
**The accompanying notes are an integral part of standalone financial statements**

As per our report of even date attached

**For S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 301003E/E300005

**per Vishal Sharma**
Partner
Membership Number: 096766

**Place:** Gurugram
**Date:** 17 May 2024

For and on behalf of Board of Directors of
**IL JIN Electronics (India) Private Limited**

**Jasbir Singh**
Director
DIN: 00259632

**Daljit Singh**
Director
DIN No.: 02023964

**Place:** Gurugram
**Date:** 17 May 2024

**Sakshi Gupta**
Company Secretary
Membership No. A56036

**Place:** Gurugram
**Date:** 17 May 2024

## 1. Corporate information

The standalone financial statements comprise standalone financial statements of IL JIN Electronics (India) Private Limited (CIN: U31909PN2001PTC224946) (the Company) for the year ended 31 March 2024. The Company is a deemed public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Gat No.161/2 Pimple Jagtap road, Koregaon Bhima, Haveli, Pune, Maharashtra -412216.

The Company is principally engaged in the business of manufacturing and trading of printed circuit boards and electronic components.

The standalone financial statements were approved for issue in accordance with a resolution of the directors on 17 May 2024.

## 2. Material accounting policies

### 2.1 Statement of compliance and basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the SFS.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments, and
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The standalone financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

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

### 2.2 Summary of material accounting policies

#### a. Investment in subsidiaries and joint ventures

A subsidiary is an entity that is controlled by another entity.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries and joint ventures are accounted at cost less impairment.

S.R. Batliboi & Co. LLP Gurugram

IL JIN Electronics (India) Private Limited

### Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

### b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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

All other assets are classified 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 realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### c. Foreign currencies

The standalone financial statements are presented in Indian Rupee (INR), which is the Company's functional currency.

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IL JIN Electronics (India) Private Limited

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company's at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

**d. Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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 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.

S.R. Batliboi & Co. LLP Gurugram

IL JIN Electronics (India) Private Limited

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised 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 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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 fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (notes 3, 8, 48 and 49)
- Quantitative disclosures of fair value measurement hierarchy (note 48)
- Financial instruments (including those carried at amortised cost) ( notes 9, 13, 14, 15, 16, 17, 21, 23, 26 , 27, 28, 48 and 49)

**e. Revenue from contract with customer**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

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IL JIN Electronics (India) Private Limited

**Sale of products**

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. The normal credit term is 15 days to 120 days upon delivery.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various schemes offered by the Company as part of the contract

**Variable consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of products provide customers with a right of return. The rights of return give rise to variable consideration.

- Rights of return
  The Company uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Company then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price. A refund liability is recognized for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from a customer.

The disclosures of significant estimates and assumptions relating to the estimation of variable consideration for returns is provided in Note 3.

**Other revenue streams**

***Interest Income***

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in "other income" in the Statement of Profit and Loss.






Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

**Contract balances**

***Trade receivables***

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments – initial recognition and subsequent measurement.

***Contract liabilities***

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**Assets and liabilities arising from rights of return**

***Right of return assets***

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

***Refund liabilities***

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from the customer. The Company's refund liabilities arise from customers' right of return. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**f. Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

**g. Taxes**

Tax expense comprises current tax expense and deferred tax.

S.R. Batliboi & Co. LLP Gurugram

IL JIN Electronics (India) Private Limited

***Current income tax***

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

***Deferred tax***

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

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 recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.






Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority which intends either to settle current tax liabilities and assets on a net basis, or to realise 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.

***Goods and Services Tax paid on acquisition of assets or on incurring expenses***

Expenses and assets are recognised net of the amount of Goods and Service Tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**Minimum alternate tax**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

h. **Property, plant and equipment**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the

S. R. Batliboi & Co. LLP Gurugram

IL JIN Electronics (India) Private Limited

carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Block of asset | Useful life as per Companies Act, 2013 (in years) |
|---|---|
| Building | 30 |
| Plant and machinery | 5 - 15 |
| Computer | 3 |
| Furniture and fixture | 10 |
| Office equipment | 5 |
| Vehicles | 8-10 |
| Leasehold improvements | Lower of Lease term or Useful life |

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The Company reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Company considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values.

An item of property, plant and equipment and any significant part initially recognised is derecognised 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 statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**i. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

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Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

***Research and development costs***

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

A summary of the policies applied to the Company's intangible assets is, as follows:

| Intangible assets | Useful lives | Amortisation method used | Internally generated or acquired |
|---|---|---|---|
| Computer software | Finite (5 years) | Amortised on a straight-line basis over the period of the asset | Acquired |
| Development costs | Finite (7 years) | Amortised on a straight-line basis over the period of expected future sales from the related project | Internally generated |

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**j. Leases**

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

***Company as a lessee***

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

- Right-of-use assets

  The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

  - Land 90 years
  - Building 7 to 11 years

  If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

  The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets.

- Lease Liabilities

  At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including 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 recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

  In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount

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of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

- Short-term leases and leases of low-value assets
  The Company applies the short-term lease recognition exemption to its short-term leases of building, machinery and equipment (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 recognised as expense on a straight-line basis over the lease term.

***Company as a lessor***

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**k. Inventories**

Inventories 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 manufacturing components) : cost includes cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.
- Traded goods: 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.
- Stores and spares, Consumables and packing 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.

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.

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**l. Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, 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. The 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.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised 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 recognised 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 recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

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## m. Provisions and Contingent liabilities

### Provisions

Provisions are recognised 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

### Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements as per the requirements of Ind AS 37.

Provisions and contingent liabilities are reviewed at each balance sheet date.

## n. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the standalone statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

**o. Share-based payments**

Employees (including senior executives) of the Company receive remuneration in the form of Holding Company share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

**Equity-settled transactions**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the






statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**p. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets**

***Initial recognition and measurement***

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the

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practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

***Subsequent measurement***

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition
- Financial assets at Fair Value through profit and loss (FVTPL)

***Financial assets at amortised cost***

A 'financial assets' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

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This category generally applies to trade receivables, security deposits and other receivables. For more information on receivables, refer note 9, 13 and 17.

***Financial assets at FVTOCI***

A 'financial assets' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent Solely Payments of Principal and Interest.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and loss.

The Company's debt instruments at fair value through OCI includes investments in quoted perpetual debt instruments included under financial assets.

**Financial assets designated at fair value through OCI**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

***Financial assets at FVTPL***

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

***Derecognition***

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's standalone balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a

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'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognised the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

***Impairment of financial assets***

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

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The Company's debt instruments at fair value through OCI comprise solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the Good Credit Rating Agency and, therefore, are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the Good Credit Rating Agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

**Financial liabilities**

***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or as payables as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

***Subsequent measurement***

For purposes of subsequent measurement, financial liabilities are classified in two categories:

***Financial liabilities at fair value through profit or loss***

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

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***Financial liabilities at amortised cost (Loans and borrowings)***

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 21 and 26.

***Derecognition***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

***Reclassification of financial assets***

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. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

| Original classification | Revised classification | Accounting treatment |
|---|---|---|
| Amortised cost | FVTPL | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss |
| FVTPL | Amortised Cost | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount |

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| | | |
|---|---|---|
| Amortised cost | FVTOCI | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification |
| FVTOCI | Amortised cost | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost |
| FVTPL | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required |
| FVTOCI | FVTPL | Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date |

***Offsetting of financial instruments***

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**q. Derivative financial instruments**

***Initial recognition and subsequent measurement***

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges (if any), which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

**r. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

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

**s. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**t. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2.3 Changes in accounting policies and disclosures

**New and amended standards**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 01 April 2023. The Company applied for the first-time these amendments.

**a. Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

**b. 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.

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The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's standalone financial statements.

**c. Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 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.

## 2.4 Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

## 3. Significant accounting judgements, estimates and assumptions

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

### 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.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise

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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.

**Revenue from contracts with customers**

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

**Determining method to estimate variable consideration and assessing the constraint**

Certain contracts for the sale of goods include a right of return that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of goods with rights of return, given the large number of customer contracts that have similar characteristics.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Share-based payments**

The Company measures the cost of equity-settled transactions with employees using a Black Scholes Options Pricing model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the profit or loss. This requires a reassessment

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of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 52.

**Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the country.

Further details about gratuity obligations are given in Note 47.

**Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. 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. See Note 48 and 49 for further disclosures.

**Revenue recognition - Estimating variable consideration for returns**

The Company estimates variable considerations to be included in the transaction price for the sale of goods with rights of return. The Company developed a statistical model for forecasting sales returns. The model used the historical return data of each product to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Company.

The Company updates its assessment of expected returns quarterly and the refund liabilities are adjusted accordingly. Estimates of expected returns are sensitive to changes in circumstances and the Company's past experience regarding returns entitlements may not be representative of customers' actual returns in the future.

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**Provision for expected credit losses of trade receivables**

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 49

**Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

**Intangible asset under development**

The Company capitalizes intangible asset under development for a project in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project and the expected period of benefits.

**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

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necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

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## 4. Property, plant and equipment

| Cost or Valuation | Freehold land | Buildings | Plant and equipment's | Computers | Furniture and fixtures | Office equipment | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | |
| **As at 01 April 2022** | **-** | **2,314.98** | **6,054.13** | **127.21** | **61.26** | **73.35** | **251.13** | **8,882.06** |
| Additions | - | 403.95 | 3,651.72 | 134.96 | 46.46 | 67.43 | - | 4,304.52 |
| Disposals | - | - | - | - | - | - | (37.03) | (37.03) |
| **As at 31 March 2023** | **-** | **2,718.93** | **9,705.85** | **262.17** | **107.72** | **140.78** | **214.10** | **13,149.55** |
| Additions | 1,068.24 | 323.05 | 5,241.19 | 237.38 | 96.70 | 102.63 | 18.97 | 7,088.16 |
| Disposals | - | - | (167.10) | (8.84) | (1.13) | (0.66) | (20.09) | (197.82) |
| **As at 31 March 2024** | **1,068.24** | **3,041.98** | **14,779.94** | **490.71** | **203.29** | **242.75** | **212.98** | **20,039.88** |
| | | | | | | | | |
| **Accumulated depreciation** | | | | | | | | |
| **As at 01 April 2022** | **-** | **647.34** | **2,405.40** | **87.22** | **36.02** | **60.84** | **137.54** | **3,374.36** |
| Charge for the year | - | 98.61 | 545.30 | 34.64 | 4.88 | 9.13 | 22.58 | 715.14 |
| Disposals | - | - | - | - | - | - | (17.02) | (17.02) |
| **As at 31 March 2023** | **-** | **745.95** | **2,950.70** | **121.86** | **40.90** | **69.97** | **143.10** | **4,072.48** |
| Charge for the year | - | 157.09 | 936.05 | 95.92 | 14.68 | 27.55 | 19.87 | 1,251.16 |
| Disposals | - | - | (53.55) | - | (0.76) | (0.07) | (19.09) | (73.47) |
| **As at 31 March 2024** | **-** | **903.04** | **3,833.20** | **217.78** | **54.82** | **97.45** | **143.88** | **5,250.17** |
| | | | | | | | | |
| **Net block as at 31 March 2023** | **-** | **1,972.98** | **6,755.15** | **140.31** | **66.82** | **70.81** | **71.00** | **9,077.07** |
| **Net block as at 31 March 2024** | **1,068.24** | **2,138.94** | **10,946.74** | **272.93** | **148.47** | **145.30** | **69.10** | **14,789.71** |

**Notes:**

**(i) Contractual obligations**

Refer note 40 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) On transition to Ind AS (i.e. 1 April 2016), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

(iii) Title deeds of all immovable properties are held in the name of the Company.

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| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **5. Capital work-in-progress** | | |
| Construction of manufacturing units | - | 62.26 |
| Plants and machineries under installation | 1,220.77 | 93.70 |
| | **1,220.77** | **155.96** |

**Notes:**

**(i) Movement in capital work in progress:**

| Particulars | Amount |
|---|---|
| **Capital work-in-progress as at 1 April 2022** | **52.00** |
| Add: additions during the year | 155.96 |
| Less: capitalisation during the year | - |
| Less: transferred to capital advance | (52.00) |
| **Capital work-in-progress as at 31 March 2023** | **155.96** |
| Add: additions during the year | 1,220.77 |
| Less: capitalisation during the year | (155.96) |
| **Capital work-in-progress as at 31 March 2024** | **1,220.77** |

**Ageing schedule of capital work-in-progress:**

| 31 March 2024 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Plants and machineries under installation | 1,220.77 | - | - | - | 1,220.77 |
| **Total** | **1,220.77** | **-** | **-** | **-** | **1,220.77** |

| 31 March 2023 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Construction of manufacturing units | 62.26 | - | - | - | 62.26 |
| Plants and machineries under installation | 93.70 | - | - | - | 93.70 |
| **Total** | **155.96** | **-** | **-** | **-** | **155.96** |

Capital work in progress (CWIP) as at 31 March 2024 and as at 31 March 2023 comprises expenditure for the plant and building in the course of construction.

There are no projects that are temporarily suspended. Further, there are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

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6. Intangible assets

| Cost | Product development | Software's | Total intangible assets |
|---|---|---|---|
| **Gross block** | | | |
| **Balance as at 01 April 2022** | **303.34** | **76.49** | **379.83** |
| Additions | - | 37.16 | 37.16 |
| Disposals | - | - | - |
| **Balance as at 31 March 2023** | **303.34** | **113.65** | **417.00** |
| Additions | 146.46 | 40.11 | 186.57 |
| Disposals | - | - | - |
| **Balance as at 31 March 2024** | **449.80** | **153.76** | **603.57** |
| | | | |
| **Accumulated amortisation** | | | |
| **Balance as at 01 April 2022** | **76.76** | **41.18** | **117.95** |
| Charge for the year | 35.05 | 11.58 | 46.63 |
| Disposals | - | - | - |
| **Balance as at 31 March 2023** | **111.81** | **52.76** | **164.57** |
| Charge for the year | 37.51 | 18.00 | 55.51 |
| Disposals | - | - | - |
| **Balance as at 31 March 2024** | **149.32** | **70.76** | **220.08** |

| | | | |
|---|---|---|---|
| **Net block as at 31 March 2023** | **191.53** | **60.89** | **252.43** |
| **Net block as at 31 March 2024** | **300.48** | **83.00** | **383.49** |

Intangible assets as at 31 March 2024 and 31 March 2023 comprises of software's and product development charges.

On transition to Ind AS (i.e. 1 April 2016), the Company has elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets.

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| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **7. Intangible assets under development** | | |
| Intangible assets under development | 1,257.22 | 766.74 |
| | **1,257.22** | **766.74** |

**Notes:**

**(i) Movement in Intangible assets under development:**

| Particulars | Software in progress | Product development in progress | Total Amount |
|---|---|---|---|
| **Intangible assets under development as at 01 April 2022** | - | **431.70** | **431.70** |
| Add: additions during the year | - | 335.04 | 335.04 |
| Less: capitalisation during the year | - | - | - |
| **Intangible assets under development as at 31 March 2023** | **-** | **766.74** | **766.74** |
| Add: additions during the year | 97.38 | 539.56 | 636.94 |
| Less: capitalisation during the year | - | 146.46 | 146.46 |
| **Intangible assets under development as at 31 March 2024** | 97.38 | 1,159.84 | **1,257.22** |

(ii) During the year, personnel costs, power and fuel charges and other related expenses have been capitalized under intangible assets under development INR 636.94 lakh (31 March 2023: INR 335.04 lakh) being expenses eligible for capitalization.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Software in progress:** | | |
| Software Expense | 97.38 | - |
| **Product development in progress:** | | |
| Employee benefit expense | 411.32 | 248.17 |
| Conveyance | 23.86 | 23.49 |
| Power and Fuel Cost | 3.22 | 3.22 |
| Miscellaneous Expense | 101.16 | 60.16 |
| **Total** | **636.94** | **335.04** |

**(iii) Intangible assets under development aging schedule:**

| 31 March 2024 | Amount in Intangible assets under development for a period of | | | | |
|---|---|---|---|---|---|
| **Intangible assets under development** | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| Product development in progress | 481.83 | 310.38 | 204.30 | 163.33 | **1,159.84** |
| Software in progress | 97.38 | - | - | - | **97.38** |
| **Total** | **579.21** | **310.38** | **204.30** | **163.33** | **1,257.22** |

| 31 March 2023 | Amount in Intangible assets under development for a period of | | | | |
|---|---|---|---|---|---|
| **Intangible assets under development** | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| Product development in progress | 335.04 | 245.81 | 185.89 | - | **766.74** |
| **Total** | **335.04** | **245.81** | **185.89** | **-** | **766.74** |

iv) There are no projects that are temporarily suspended. Further, there are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

(v) Intangible assets under development as at 31 March 2024 and as at 31 March 2023 comprises expenditure for the development of customised software's and product development projects. These expenditures relate to the various projects undertaken by the Company.

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| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **8 Non-current investments** | | |
| **Investment in equity instruments (unquoted) ( Fully paid equity shares)** | | |
| **Investment in subsidiaries (at cost):** | | |
| 936,000 (31 March 2023: Nil) equity shares of Ascent Circuits Private Limited [refer note (i)] | 32,860.13 | - |
| **Investment in others (Fair value through profit and loss):** | | |
| Nil (31 March 2023: 500,000) equity shares of Lalganj Power Private Limited | - | 66.00 |
| **Investment in joint ventures (at cost):** | | |
| 50,000 (31 March 2023: Nil) equity shares of Stelltek Technologies Private Limited [refer note (ii)] | 5.00 | - |
| | **32,865.13** | **66.00** |
| Aggregate amount of unquoted investments | 32,865.13 | 66.00 |

**Information about group is as follows:**

| Sl. No. | Name of the entity | Relationship | Principal place of business | Proportion of ownership (%) as at 31 March 2024 | Proportion of ownership (%) as at 31 March 2023 |
|---|---|---|---|---|---|
| 1 | Ascent Circuits Private Limited | Subsidiary | India | 60 | - |
| 2 | Stelltek technologies Private Limited | Joint venture | India | 50 | - |

**Notes:**

(i) The Company has acquired 9,36,000 fully paid up equity shares of Ascent Circuits Private Limited ("Ascent") on 02 February 2024, which represents 60% of the total share capital, by investing INR 31,100.13 lakh as subscription amount, out of which an amount of INR 29,600.13 lakh was paid at the date of acquisition and remaining amount of INR 1,500.00 lakh has been recognized as expense payable to be transferred in escrow account as per terms of Share Purchase Agreement. The Company has also written a put option and simultaneously bought a call option for acquisition of remaining 40% stake in Ascent and accordingly, initially recognised INR 1,760.00 lakh as net derivative liability in investment in equity instrument for acquisition of remaining shares, based on valuation of an independent value (refer note 48 for the determination of fair value).

(ii) The Board of Directors of the Company, at their meeting held on 16 September 2023 approved an arrangement for entering into a joint venture with Nexxbase Marketing Private Limited ("Nexxbase"). The Joint Venture agreement was entered into on 18 September 2023 and the underlying joint venture company namely "Stelltek Technologies Private Limited" has been incorporated on 26 December 2023. Pursuant to the said definitive agreements, the Company has invested an amount of INR 5.00 lakhs in Stelltek Technologies Private Limited.

| | | |
|---|---|---|
| **9 Other financial assets (non-current unsecured, considered good)** | | |
| Security deposits | 167.02 | 140.09 |
| Bank deposits with more than 12 months maturity [refer note (i) below] | 0.35 | 0.35 |
| Recoverable on account of electricity duty subsidy | 54.63 | 78.72 |
| | **222.00** | **220.06** |

**Notes:**

(i) INR 0.35 lakh (31 March 2023 : INR 0.35 lakh) represents deposits with maturity more than 12 months, held by the entity and are not available for use by the Company, as these are issued in favour of tax authorities.

(ii) Refer note 48- Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 49 - Financial risk management for assessment of expected credit losses.

| | | |
|---|---|---|
| **10 Income tax assets (net)** | | |
| Income tax assets (net) | 1,000.96 | 704.84 |
| | **1,000.96** | **704.84** |
| **11 Other non-current assets (unsecured, considered good)** | | |
| Prepaid expenses | 91.22 | 12.81 |
| Capital advances | 579.95 | 477.13 |
| | **671.17** | **489.94** |
| **12 Inventories** | | |
| **(Valued at lower of cost and net realisable value, unless otherwise stated)** | | |
| Raw materials | | |
| - in hand | 5,648.47 | 9,171.47 |
| - in transit | 142.85 | 86.71 |
| Intermediate products (including manufactured components) | 831.12 | 1,609.19 |
| Finished goods | 2,295.54 | 1,844.46 |
| | **8,917.98** | **12,711.83** |

During the year ended 31 March 2024, INR Nil lakh (31 March 2023: INR Nil lakh) was recognised as an expense for inventories carried at net realisable value.

| | | |
|---|---|---|
| **13 Trade receivables** | | |
| Trade receivables | 11,885.17 | 5,918.92 |
| Receivables from related parties (refer note 42) | 54.21 | 775.35 |
| | **11,939.38** | **6,694.27** |
| **Break-up for security details:** | | |
| **Trade receivables** | | |
| Unsecured, considered good | 11,939.38 | 6,694.27 |
| Trade Receivables - credit impaired | - | - |
| | **11,939.38** | **6,694.27** |
| Trade Receivables - credit impaired | - | - |
| | **11,939.38** | **6,694.27** |

**Notes:**

(i) Refer note 49 - Financial risk management for assessment of expected credit losses.

(ii) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member other than those disclosed in note 42.

(iii) For terms and conditions relating to related party receivables, refer note 42.

(iv) Trade receivables are non-interest bearing and are generally on terms of 15 to 90 days.

(v) **Ageing schedule of trade receivables:**

| 31 March 2024 | Outstanding from the due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables – considered good | 10,874.85 | 644.14 | 29.47 | 390.92 | - | - | 11,939.38 |
| Disputed trade receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | **10,874.85** | **644.14** | **29.47** | **390.92** | - | - | **11,939.38** |

| 31 March 2023 | Outstanding from the due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables – considered good | 3,954.04 | 2,128.78 | 581.88 | 29.57 | - | - | 6,694.27 |
| Disputed trade receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | **3,954.04** | **2,128.78** | **581.88** | **29.57** | - | - | **6,694.27** |



S.R. Batliboi & Co. LLP Gurugram

IL JIN Electronics (India) Private Limited

| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 14 | **Cash and cash equivalents** | | |
| | **Balance with banks:** | | |
| | - in current and cash credit accounts | 1,068.57 | 216.93 |
| | - deposit with original maturity of less than three months | 11.33 | 10.84 |
| | Cash in hand | 0.50 | 0.50 |
| | | 1,080.40 | 228.27 |

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

| | | | |
|---|---|---|---|
| 15 | **Other bank balances** | | |
| | Deposits with remaining maturity of less than twelve months | 11.18 | 14.74 |
| | | **11.18** | **14.74** |
| 16 | **Loans (current, unsecured, considered good)** | | |
| | Loans to employees | 12.57 | 37.97 |
| | | **12.57** | **37.97** |

The Company does not have any loans which are either credit impaired or where there is significant increase in credit risk.

| | | | |
|---|---|---|---|
| 17 | **Other financial assets (current) (unsecured, considered good)** | | |
| | Security deposits | 42.00 | 10.55 |
| | Government grant receivable | 600.00 | - |
| | Other recoverable amounts | 23.24 | 14.24 |
| | Recoverable on account of electricity duty subsidy | 22.14 | 20.18 |
| | | **687.38** | **44.97** |

Refer note 48 - Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 49 - Financial risk management for assessment of expected credit losses.

| | | | |
|---|---|---|---|
| 18 | **Other current assets (unsecured, considered good)** | | |
| | Advance to suppliers | 982.30 | 5,359.40 |
| | Balances with statutory authorities | 156.01 | 354.14 |
| | Interest accrued but not due on deposits | 5.31 | - |
| | Prepaid expenses | 318.06 | 146.13 |
| | | **1,461.68** | **5,859.67** |

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IL JIN Electronics (India) Private Limited

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **19 Equity share capital** | | |
| **Authorised capital** | | |
| 40,00,000 (31 March 2023: 40,00,000) Equity shares of INR 10 each | 400.00 | 400.00 |
| | **400.00** | **400.00** |
| **Issued, subscribed capital and fully paid up** | | |
| 1,886,590 (31 March 2023 : 1,886,590) Equity shares of INR 10 each | 188.66 | 188.66 |
| | **188.66** | **188.66** |

**i) Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of INR 10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**ii) Reconciliation of equity shares outstanding at the beginning and at the end of the year**

| | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | No. of shares | (INR in lakh) | No. of shares | (INR in lakh) |
| **Equity share capital of ₹ 10 each fully paid up** | | | | |
| Balance at the beginning of the year | 18,86,590 | 188.66 | 18,86,590 | 188.66 |
| Add: Shares issued during the year | - | - | - | - |
| **Balance at the end of the year** | **18,86,590** | **188.66** | **18,86,590** | **188.66** |

**iii) Shareholders holding more than 5% of shares of the Company as at balance sheet date**

| | As on 31 March 2024 | | As on 31 March 2023 | |
|---|---|---|---|---|
| | No. of shares | % holding | No. of shares | % holding |
| Mr. Hyun Chul Sim | 5,65,959 | 30.00% | 5,65,959 | 30.00% |
| Amber Enterprises India Limited | 13,20,613 | 70.00% | 13,20,613 | 70.00% |

**iv) Shares held by holding company:**

Out of equity shares issued by the Company, shares held by its Holding Company are as below:

| | As on 31 March 2024 | | As on 31 March 2023 | |
|---|---|---|---|---|
| | No. of shares | % holding | No. of shares | % holding |
| Amber Enterprises India Limited | 13,20,613 | 70.00% | 13,20,613 | 70.00% |

**v)** No equity shares had been issued as bonus, for consideration other than cash and bought back during the period of five years immediately preceding the reporting date.

**vi) Details of promoter shareholding**

| | 31 March 2024 | | | 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | Number of shares | % of total shares | % change during the period | Number of shares | % of total shares | % change during the period |
| Amber Enterprises India Limited | 13,20,613 | 70.00% | 0.00% | 13,20,613 | 70.00% | 0.00% |

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IL JIN Electronics (India) Private Limited

| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 20 | **Other equity** | | |
| | **Securities premium** | | |
| | Balance at the beginning and end of the year | 179.73 | 179.73 |
| | **Employee stock option outstanding account** | | |
| | Balance at the beginning of the year | 69.54 | |
| | Share based payment expenses (refer note 52) | 163.42 | 69.54 |
| | Balance at the end of the year | 232.96 | 69.54 |
| | **Surplus in the Statement of Profit and Loss** | | |
| | Balance at the beginning of the year | 5,385.31 | 4,238.44 |
| | Add: Profit for the year | 846.40 | 1,140.08 |
| | Add: Other comprehensive (loss)/gain: | | |
| | Remeasurement of defined benefit obligations (net of tax) | (0.87) | 6.79 |
| | Balance at the end of the year | 6,230.84 | 5,385.31 |
| | | 6,643.53 | 5,634.58 |

**Nature and purpose of other equity**

**Securities premium**
Securities premium represents premium received on issue of shares. The securities premium is utilised in accordance with the provisions of the Companies Act, 2013.

**Employee stock option outstanding account**
The Employee stock options outstanding account is used to recognise the grant date fair value of options issued to employees under Employee Stock Option Plan 2017 issued by Amber Enterprises India Limited, the Holding Company.

**Surplus in the statement of profit and loss**
Surplus in the statement of profit and loss 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.

| | | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| 21 | **Non-current borrowings** | | |
| | **Secured** | | |
| | Term loans | | |
| | -from banks [refer note (i)] | 5,219.28 | 2,765.08 |
| | Vehicle loans | | |
| | -from banks [refer note (i)] | 6.95 | 13.40 |
| | **Unsecured** | | |
| | Loan from related party (refer note no.42) | 1,210.65 | - |
| | 3,100 (31 March 2023: Nil) 9% Optional Fully Convertible Debentures of INR 10 lakh each [refer note (i)] | 31,000.00 | - |
| | | 37,436.88 | 2,778.48 |

**(i) Repayment terms and security disclosure for Non-current borrowings (including current maturities) outstanding as at 31 March 2024 and 31 March 2023**

a) Term loan from HDFC Bank amounting to INR Nil lakh (including current maturities of INR Nil lakh) [31 March 2023: INR 277.15 lakh (including current maturities of INR 277.15 lakh)] carrying interest rate @ 9.19% p.a. was repaid on 30 September 2023. Term loan from HDFC bank is secured by way of first charge on Plant and Machinery and first charge on land and building of the factory situated at 27 & 28, Ecotech, Greater Noida. The term loans is also secured by corporate guarantee of Amber Enterprises India Limited (Holding Company).

b) Term loan from HDFC Bank amounting to INR Nil lakh (including current maturities of INR Nil lakh) [31 March 2023: INR 237.50 lakh (including current maturities of INR 150.00 lakh)] carrying interest rate @ 8.80% p.a. to 9.19% was early repaid on 30 March 2024 . Term loan from HDFC bank is secured by way of first charge on movable fixed assets and first charge on land and building of the factory situated at 27 & 28, Ecotech, Greater Noida. The term loans is also secured by corporate guarantee of Amber Enterprises India Limited (Holding Company).

c) Term loan from HDFC Bank amounting to INR 900.00 lakh (including current maturities of INR 200.00 lakh) [31 March 2023: INR 1,000.00 lakh (including current maturities of INR 50.00 lakh)] carrying interest rate @ 8.00% p.a. to 8.10% p.a. is repayable in 20 monthly instalments with last instalment payable on 19 September 2028. Term loan from HDFC bank is secured by way of first Pari passu charge on Current Asset and all movable fixed assets and first charge on land and building of the factory situated at 27 & 28, Ecotech, Greater Noida. The term loans is also secured by corporate guarantee of Amber Enterprises India Limited (Holding Company).

d) Term loan from Shinhan Bank amounting to INR 2,250.00 lakh (including current maturities of INR 300.00 lakh) [31 March 2023: INR 1,919.65 lakh (including current maturities of INR 250.00 lakh)] carrying interest rate range @ 7.85% to 8.10% p.a. is repayable in 20 quarterly instalments with last instalment payable on 29 September 2028. Term loan from Shinhan bank is secured by way of Exclusive charge on Plant and Machinery purchased out of the bank finance and second charge on land and building of the factory situated at 27 & 28, Ecotech, Greater Noida. The term loans is also secured by corporate guarantee of Amber Enterprises India Limited (Holding Company).

e) Term loan from HDFC Bank amounting to INR 2,889.68 lakh (including current maturities of INR 120.40 lakh) [31 March 2023: INR Nil lakh (including current maturities of INR Nil lakh)] carrying interest rate @ 7.85% is repayable in 24 quarterly instalments with last instalment payable on 04 October 2030. Term loan from HDFC bank is secured by way of first Pari passu charge on Current Asset and all movable fixed assets and first charge on land and building of the factory situated at 27 & 28, Ecotech, Greater Noida. The term loans is also secured by corporate guarantee of Amber Enterprises India Limited (Holding Company).

f) The Vehicle loan from bank is secured by way of hypothecation of car. Loans are repayable in monthly instalments as follows:
- Car Loan from HDFC Bank amounting to INR 13.39 lakh (including current maturities of INR 6.44 lakh) [31 March 2023: INR 19.36 lakh (including current maturities of INR 5.96 lakh)] carrying interest @ 7.70% p.a on reducing basis is repayable in 48 monthly instalments with last instalment payable on 05 March 2026.

g) During the year ended 31 March 2024, the Company issued 3,100, 9% Optional Fully Convertible Debentures ('OFCD') of INR 10 lakh each aggregating to INR 31,000 lakh for investment made by the Company for acquisitions made during the year. Subsequent to the year ended on 31 March 2024, the Holding Company has exercised its option of conversion of Optional Fully Convertible Debentures into equity shares on 30 April 2024, pursuant to which, the Company issued 20,46,002 fully paid up equity shares at INR 1,515.15 per share (including premium of INR 1,505.15 per share) to the Holding Company and resulting to this the Holding Company's shareholding increased from 70.00% to 85.60% in IL JIN.

h) Unsecured loan from Amber Enterprises India Limited (Holding Company) amounting to INR 1,210.65 lakh (31 March 2023: INR Nil lakh) carrying interest rate @ 9.00% p.a. (31 March 2023: Nil p.a.) is repayable at the end of 7 years from the date of first disbursement.

**(ii)** Refer note 48- Fair value disclosures for disclosure of fair value in respect of financial assets measured at amortised cost and note 49 - Financial risk management for the maturity profile of financial liabilities.

**(iii)** Term loans were applied for the purpose for which the loans were obtained.

**(iv)** The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

**(v)** There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

**(vi) Reconciliation of liabilities arising from financing activities**

| | Non-current borrowings (including current maturities) | Lease liabilities | Current borrowings | Total |
|---|---|---|---|---|
| **As on 01 April 2022** | **1,253.95** | **155.06** | **1,198.34** | **2,607.35** |
| Cash flows: | | | | |
| Proceeds from borrowings | 2,920.42 | - | (198.34) | 2,722.08 |
| Repayment of borrowings | (720.81) | (90.90) | - | (811.71) |
| Non-cash: | | | | |
| Lease liability recognised during the year (net) | - | 2,492.14 | - | 2,492.14 |
| **As on 31 March 2023** | **3,453.56** | **2,556.30** | **1,000.00** | **7,009.86** |
| Cash flows: | | | | |
| Proceeds from borrowings | 35,680.77 | - | 2,500.00 | 38,180.77 |
| Repayment of borrowings | (870.61) | (161.59) | - | (1,032.20) |
| Non-cash: | | | | |
| Lease liability recognised during the year (net) | - | - | - | - |
| **As on 31 March 2024** | **38,263.72** | **2,394.71** | **3,500.00** | **44,158.43** |

**proceeds from borrowing is on net basis*

| | | | |
|---|---|---|---|
| 22 | **Lease liabilities*** | | |
| | Non-current maturities of lease liabilities | 1,992.32 | 2,167.68 |
| | | 1,992.32 | 2,167.68 |
| | Current maturities of lease liabilities | 402.39 | 388.62 |
| | | 402.39 | 388.62 |

*For disclosure related to lease liabilities, refer note 46 - Leases.






| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| 23 Other financial liabilities (non-current) | | |
| Derivative liability | 1,760.00 | - |
| | 1,760.00 | - |

Note
(i) The Company has written a put option and simultaneously bought a call option for acquisition of remaining 40 % stake in Ascent and accordingly, initially recognised INR 300.00 lakh as net derivative liability in investment in equity instrument for acquisition of remaining shares, based on valuation of an independent valuer. (refer note 48 for the determination of fair value).

(ii) Refer note 48 - Fair value disclosures for disclosure of fair value in respect of financial liabilities and note 49 for the maturity profile of financial liabilities.

| | | |
|---|---|---|
| 24 Provisions (non-current) | | |
| Provision for employee benefits | | |
| Gratuity | 112.46 | 94.57 |
| Compensated absences | 93.76 | 54.41 |
| | 206.22 | 148.98 |

For disclosures related to provision for employee benefits, refer note 47 - Employee benefit obligations.

| | | |
|---|---|---|
| 25 Deferred tax liabilities (net) | | |
| Deferred tax liability arising on account of : | | |
| Property, plant and equipment impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting | 1,325.29 | 736.79 |
| Financial assets and financial liabilities at amortised cost | - | 24.10 |
| Deferred tax asset arising on account of : | | |
| Expenses allowable in Income tax on payment basis and deposition of Statutory dues | 439.44 | 89.78 |
| MAT credit entitlement | 308.73 | - |
| Net deferred tax liabilities | 777.12 | 671.11 |

Movement in deferred tax liabilities

| Particulars | 01 April 2023 | Recognised in other comprehensive income | Minimum alternate tax credit entitlement | Recognised in statement of profit and loss | 31 March 2024 |
|---|---|---|---|---|---|
| Liabilities | | | | | |
| Property, plant and equipment impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting | 736.79 | - | - | 788.50 | 1,525.29 |
| Financial assets and financial liabilities at amortised cost | 24.10 | - | - | (24.10) | - |
| Assets | | | | | |
| Expenses allowable in Income tax on payment basis and deposition of Statutory dues | (89.78) | (0.47) | - | (349.19) | (439.44) |
| MAT credit entitlement | - | - | (308.73) | - | (308.73) |
| Deferred tax liabilities (net) | 671.11 | (0.47) | (308.73) | 415.21 | 777.12 |

Movement in deferred tax liabilities

| Particulars | 01 April 2022 | Recognised in other comprehensive income | Minimum alternate tax credit utilized | Recognised in statement of profit and loss | 31 March 2023 |
|---|---|---|---|---|---|
| Liabilities | | | | | |
| Property, plant and equipment impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting | 533.88 | - | - | 202.91 | 736.79 |
| Financial assets and financial liabilities at amortised cost | | | | 24.10 | 24.10 |
| Assets | | | | | |
| Financial assets and financial liabilities at amortised cost | (16.07) | - | - | 16.07 | - |
| Expenses allowable in Income tax on payment basis and deposition of Statutory dues | (128.66) | 2.62 | - | 36.26 | (89.78) |
| MAT credit entitlement | (21.48) | - | 21.48 | - | - |
| Deferred tax liabilities (net) | 367.67 | 2.62 | 21.48 | 279.34 | 671.11 |

| | | |
|---|---|---|
| 26 Current borrowings | | |
| Secured | | |
| Working capital demand loans | 3,500.00 | 1,000.00 |
| Current maturities of long-term borrowings [Refer note 21(i)] | | |
| Term loans | | |
| -from banks | 820.40 | 669.12 |
| Vehicle loans | | |
| -from banks | 6.44 | 5.96 |
| | 4,326.84 | 1,675.08 |

a. The secured borrowings from banks referred above are from:

Working capital demand loan:

| | | |
|---|---|---|
| i. ICICI Bank - WCDL for max 180 Days @ 8.26%+ p.a. (31 March 2023: 7.95%) | 1,000.00 | 1,000.00 |
| ICICI Bank - LOCSTL for max 180 Days @ 8.20%+ p.a. (31 March 2023: Nil) | 2,500.00 | - |

b. Nature of security:

i) Details of security of current borrowings other than current maturities of non-current borrowings for the year ended 31 March 2024

The working capital demand loan from ICICI Bank is secured by way of first pari passu charge on all current assets of the Company (present and future) and first Pari passu charge of factory land and building situated at 27 & 28, Ecotech, Greater Noida. The term loans is also secured by corporate guarantee of Amber Enterprises India Limited (Holding Company) .

ii) Details of security of current borrowings other than current maturities of non-current borrowings for the year ended 31 March 2023

The cash credit facility from HDFC bank and Axis bank is secured by way of first pari passu charge on all current assets (present and future) and movable and immovable asset of the Company (including land and building of plant situated at 27 & 28, Ecotech, Greater Noida) and is also secured by corporate guarantee of Amber Enterprises India Limited (Holding Company).

The working capital demand loan from ICICI Bank is secured by way of first Pari passu charge on Current Asset and all movable fixed assets and first charge on land and building of the factory situated at 27 & 28, Ecotech, Greater Noida. The term loans is also secured by corporate guarantee of Amber Enterprises India Limited (Holding Company)

c. Repayment details:

The short-term borrowings are repayable on demand.

d. The Company has borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

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IL JIN Electronics (India) Private Limited

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **27 Trade payables** | | |
| -total outstanding dues of micro enterprises and small enterprises (refer note (i) for details of dues to micro and small enterprises) | 112.70 | 614.72 |
| -total outstanding dues of creditors other than micro enterprises and small enterprises | 16,095.70 | 13,414.52 |
| | **16,208.40** | **14,029.24** |
| Trade payables | 14,621.52 | 10,670.00 |
| Trade payables to related parties (refer note 42) | 1,586.88 | 3,359.24 |
| | **16,208.40** | **14,029.24** |

Includes acceptances arrangements where operational suppliers of goods and services are initially paid by banks/financial institutions where there is no recourse on the Company

(i) **Disclosures pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

| | | |
|---|---|---|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | | |
| -Principal amount due to micro and small enterprises | 106.37 | 612.55 |
| -Interest due on above | 6.33 | 2.17 |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006 | 6.33 | 2.17 |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | - | - |

(ii) **Ageing schedule of trade payables:**

| 31 March 2024 | Outstanding from the due date of payment | | | | | Total |
|---|---|---|---|---|---|---|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Total outstanding dues of micro enterprises and small enterprises | 90.13 | 22.57 | - | - | - | **112.70** |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 15,914.82 | 83.88 | 11.70 | - | - | **16,010.40** |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small | - | - | - | 51.04 | 34.26 | **85.30** |
| **Total** | **16,004.95** | **106.45** | **11.70** | **51.04** | **34.26** | **16,208.40** |

| 31 March 2023 | Outstanding from the due date of payment | | | | | Total |
|---|---|---|---|---|---|---|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Total outstanding dues of micro enterprises and small enterprises | 348.14 | 266.58 | - | - | - | 614.72 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 9,364.24 | 3,964.98 | - | - | - | **13,329.22** |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | 53.82 | 31.48 | - | **85.30** |
| **Total** | **9,712.38** | **4,231.56** | **53.82** | **31.48** | **-** | **14,029.24** |

(iii) **Terms and conditions of the above financial liabilities:**

Trade payables are non-interest bearing and are generally on terms of 15 to 90 days.
For terms and conditions with related parties, refer to note 42.
For explanations on the Company's credit risk management processes, refer to Note 40.

| | | |
|---|---|---|
| **28 Other financial liabilities (Current)** | | |
| Payables for capital goods | 2,051.82 | 360.69 |
| Interest accrued but not due on borrowing (also refer note 42) | 439.53 | 81.31 |
| Employee related payables (also refer note 42) | 521.19 | 193.81 |
| Payable for purchase consideration [refer note (i)] | 1,500.00 | - |
| Expenses payable | 149.84 | 153.93 |
| | **5,362.38** | **989.74** |

**Notes:**

(i) The Company has outstanding consideration payable to erstwhile shareholders of Ascent Circuits Private Limited of INR 1,500.00 lakhs (31 March 2023: INR Nil lakhs) as per the terms of share purchase agreement.

| | | |
|---|---|---|
| **29 Other current liabilities** | | |
| Advance from customers (contract liabilities) | 2,428.70 | 10,925.39 |
| Payable to statutory authorities | 1,317.35 | 597.50 |
| | **3,746.05** | **11,522.89** |
| **30 Short-term provisions** | | |
| **Provision for employee benefits** | | |
| Gratuity | 2.29 | 2.16 |
| Compensated absences | 30.61 | 10.17 |
| | **32.90** | **12.33** |

For disclosures related to provision for employee benefits, refer note 47- Employee benefit obligations.

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H. JIN Electronics (India) Private Limited

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **31 Revenue from operations (refer note 51)** | | |
| **Operating revenue** | | |
| Sale of products | 87,121.46 | 87,919.38 |
| **Other operating revenues** | | |
| Government grant income | 600.00 | - |
| Job work charges | 3,615.21 | 120.02 |
| | **91,336.67** | **88,039.40** |

Government grants income consist of grant recognised as per Product Linked Incentive Scheme of the Goevrnment (PLI Scheme) . There are no unfulfilled conditions or contingencies attached to these grants.

| | | |
|---|---|---|
| **32 Other income** | | |
| **Interest Income on:** | | |
| Bank deposits | 1.00 | 0.85 |
| Financial assets carried at amortised cost | 10.83 | 3.47 |
| **Other non-operating income:** | | |
| Lease rent | 5.25 | - |
| Gain on disposal of property, plant and equipment (net) | 56.84 | 0.68 |
| Liabilities no longer required written back | - | 0.42 |
| Foreign exchange fluctuation (net) | 75.45 | 15.06 |
| Miscellaneous income | 28.53 | 215.93 |
| | **177.90** | **236.41** |

| | | |
|---|---|---|
| **33 Cost of raw materials consumed** | | |
| **Inventory at the beginning of the year** | **9,258.18** | **5,354.91** |
| Add: Purchases made during the year | 71,418.29 | 86,625.38 |
| | 80,676.47 | 91,980.29 |
| **Less: Inventory at the end of the year** | **5,791.32** | **9,258.18** |
| | **74,885.15** | **82,722.11** |

| | | |
|---|---|---|
| **34 Changes in inventories of intermediate products (including manufactured components) and finished goods** | | |
| **Opening stock** | | |
| Intermediate products | 1,609.19 | 578.28 |
| Finished goods | 1,844.46 | 397.30 |
| **Closing stock** | | |
| Intermediate products | 831.12 | 1,609.19 |
| Finished goods | 2,295.54 | 1,844.46 |
| | **326.99** | **(2,478.07)** |

| | | |
|---|---|---|
| **35 Employee benefits expense** | | |
| Salary, wages and bonus | 2,580.80 | 1,292.35 |
| Contribution to provident and other funds (refer note 47) | 87.27 | 59.31 |
| Gratuity Expense (refer note 47) | 33.95 | 23.81 |
| Staff welfare expenses | 349.06 | 147.93 |
| Share based compensation (refer note 52) | 163.42 | 69.54 |
| | **3,214.50** | **1,592.94** |

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 3 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.

| | | |
|---|---|---|
| **36 Finance costs** | | |
| Interest on | | |
| - debt and borrowing | 1,420.23 | 541.48 |
| - lease liabilities (refer note 46) | 247.02 | 105.83 |
| Other borrowing costs | 0.21 | 0.93 |
| | **1,667.46** | **648.24** |

| | | |
|---|---|---|
| **37 Depreciation and amortisation expense** | | |
| Depreciation of property, plant and equipment (refer note 4) | 1,251.16 | 715.14 |
| Amortisation of intangible assets (refer note 6) | 55.51 | 46.63 |
| Depreciation of Right-of-use assets (refer note 46) | 319.96 | 135.05 |
| | **1,626.63** | **896.82** |

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| | | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| 38 | **Other expenses** | | |
| | Power, fuel and water charges | 481.14 | 356.58 |
| | Freight charges | 178.96 | 147.67 |
| | Legal and professional fees (refer note (i)) | 347.31 | 107.72 |
| | Travelling and conveyance expense | 234.94 | 147.44 |
| | Repairs and maintenance | | |
| | - Plant and machinery | 148.37 | 135.90 |
| | - Building | 30.91 | 5.28 |
| | - Others | 164.20 | 101.51 |
| | Insurance | 80.71 | 10.45 |
| | Rent (refer note 46) | | |
| | - Building | 74.03 | 52.64 |
| | Rates and taxes | 60.68 | 5.04 |
| | Job work charges | 148.20 | 140.13 |
| | Contractual labour charges | 2,956.41 | 1,788.36 |
| | Bad debts | - | 7.47 |
| | Director's sitting fees | 3.30 | 2.95 |
| | Security charges | 141.07 | 71.16 |
| | Corporate social responsibility (refer note 53) | 17.79 | 13.41 |
| | Miscellaneous expenses | 137.83 | 137.37 |
| | | **5,205.85** | **3,231.08** |

**i) Payments to the auditor:**

| | | |
|---|---|---|
| **As auditor:** | | |
| Audit fee | 9.50 | 9.00 |
| Limited review | 3.00 | 2.00 |
| **In other capacity:** | | |
| Reimbursement of expenses | 0.50 | 0.50 |
| **Total** | **13.00** | **11.50** |

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## 39 Earnings per share

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the potential dilutive Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

| | | |
|---|---|---|
| **Profit attributable to equity holders of the Company:** | **846.40** | **1,140.08** |
| Number of weighted average equity shares (Nominal value of INR 10 each) | | |
| - Basic | 18,86,590 | 18,86,590 |
| - Diluted | 18,86,590 | 18,86,590 |
| Earnings per share- after tax | | |
| - Basic | 44.86 | 60.43 |
| - Diluted | 44.86 | 60.43 |

The company do not have any outstanding dilutive potential instruments as on 31 March 2024 and 31 March 2023

## 40 Commitments

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) | 661.99 | 617.80 |

## 41 Contingent liabilities #

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **a) Others** | | |
| - Other labour related cases* | 85.25 | 77.25 |

* Other labour related cases majorly comprises of cases under Industrial Law claiming INR 56.00 lakh for payment of wages.

\# The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. Based on discussions with the solicitors/favourable decisions in similar cases/legal opinions taken by the Company, the management does not expect these claims to succeed and hence, no provision there against is considered necessary

## 42 Related party disclosures

In accordance with the requirements of Ind AS 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods are:

### A. Relationship with related parties

| | |
|---|---|
| **I. Holding Company** | Amber Enterprises India Limited |
| **II. Entities over which significant influence is exercised by the key management personnel** | Ever Electronics Private Limited<br>PICL (India) Private Limited<br>Sinkodia Pte. Limited<br>Pravartaka Tooling Services Private Limited<br>Sidwal refrigeration Industries Private Limited<br>KI Trading Co. Limited<br>AmberPR Technoplast India Private Limited |
| **III. Subsidiaries of the Company** | Ascent Circuit Private Limited (w.e.f. 02 February 2024) |
| **IV. Joint Venture** | Stelltek Technologies Private Limited (w.e.f 26 December 2023) |

**V. Key management personnel (KMP)**

a. Mr. Hyun Chul Sim (Director)
b. Mr. Jasbir Singh (Director)
c. Mr. Daljit Singh (Director)
d. Mr. Sanjay Arora (Director, W.e.f. 15 May 2023)
e. Ms. Lovely Mehra (Independent director, W.e.f. 13 May 2022)
f. Mr. Arvind Uppal (Independent director, W.e.f. 13 May 2022)
g. Mr. Satwinder Singh (Independent director, till 13 May 2022)
h. Ms Sudha Pillai (Independent director, till 13 May 2022)
i. Ms Sakshi Gupta (company secretary, W.e.f. 01 February 2024)

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**42 Related party disclosures (continued)**

**The following transactions were carried out with related parties in the ordinary course of business for the year ended 31 March 2024 and 31 March 2023**

| Sl. No. | Particulars | Holding Company | | Entities over which significant influence is exercised | | Key management personnel | | Others | |
|---|---|---|---|---|---|---|---|---|---|
| | | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| (A) | **Transactions made during the year:** | | | | | | | | |
| 1 | **Sale of products** | | | | | | | | |
| | Ever Electronics Private Limited | - | - | 1,010.41 | 1,153.55 | - | - | - | - |
| | Amber Enterprises India Limited | 3,527.92 | 2,636.44 | - | - | - | - | - | - |
| | PICL (India) Private Limited | - | - | 112.44 | 31.43 | - | - | - | - |
| | Pravartaka Tooling Services Private Limited | - | - | 135.03 | 82.75 | - | - | - | - |
| | Sidwal refrigeration Industries Private Limited | - | - | - | 4.78 | - | - | - | |
| 2 | **Purchase of goods** | | | | | | | | |
| | Ever Electronics Private Limited | - | - | 1,289.35 | 4,120.34 | - | - | - | - |
| | Amber Enterprises India Limited | 1,078.47 | 3,112.06 | - | - | - | - | - | - |
| | PICL (India) Private Limited | - | - | 84.45 | - | - | - | - | - |
| | Sinkodia Pte. Limited | - | - | 256.17 | 359.54 | - | - | - | - |
| | Pravartaka Tooling Services Private Limited | - | - | 233.86 | 248.59 | - | - | - | - |
| | KI Trading Co. Limited | - | - | 211.54 | 70.23 | - | - | - | |
| | Ascent Circuits Private Limited | - | - | 0.57 | - | - | - | - | |
| 3 | **Sale of property, plant and equipment** | | | | | | | | |
| | Ever Electronics Private Limited | - | - | 93.08 | - | - | - | - | - |
| | Amber Enterprises India Limited | - | 0.60 | - | - | - | - | - | - |
| | Pravartaka Tooling Services Private Limited | - | - | 0.29 | - | - | - | - | - |
| 4 | **Purchase of property, plant and equipment** | | | | | | | | |
| | Ever Electronics Private Limited | - | - | 3.58 | 4.35 | - | - | - | - |
| | Amber Enterprises India Limited | 0.72 | 9.80 | - | - | - | - | - | - |
| | Sinkodia Pte. Limited | - | - | 247.61 | 516 | - | - | - | - |
| | KI Trading Co. Limited | - | - | 11.61 | 63 | - | - | - | - |
| 5 | **Repair and maintenance services** | | | | | | | | |
| | AmberPR Technoplast India Private Limited | - | - | 0.16 | - | - | - | - | - |
| | Ever Electronics Private Limited | - | - | 3.83 | - | - | - | - | - |
| | Sinkodia Pte. Limited | - | - | - | 14.41 | - | - | - | - |
| | KI Trading Co. Limited | - | - | 6.09 | 38.42 | - | - | - | - |
| 6 | **Legal and professional fees** | | | | | | | | |
| | Amber Enterprises India Limited | 187.32 | 58.68 | - | - | - | - | - | - |
| | Consultancy charges - Hyun Chul Sim | - | - | - | - | - | 7.49 | - | - |
| 7 | **Rent paid** | | | | | | | | |
| | Ever Electronics Private Limited | - | - | 0.80 | - | - | - | - | - |
| | Amber Enterprises India Limited | 28.00 | 4.71 | - | - | - | - | - | - |
| 8 | **Remuneration paid to KMP's** | | | | | | | | |
| | Sitting fees and commission to independent directors^ | - | - | - | - | 13.30 | 12.05 | - | - |
| | Employee benefit expenses^^ | - | - | - | - | 248.30 | 55.45 | - | - |
| | Share based payment expenses^^^ | - | - | - | - | 114.73 | - | - | - |
| | **^Name of Independent Directors** | | | | | | | | |
| | Mr. Satwinder Singh | - | - | - | - | - | 0.55 | - | - |
| | Ms. Sudha Pillai | - | - | - | - | - | 0.45 | - | - |
| | Mr. Arvind Uppal | - | - | - | - | 6.60 | 6.15 | - | - |
| | Ms. Lovely Mehra | - | - | - | - | 6.70 | 5.80 | - | - |
| | **^^Name of KMP** | | | | | | | | |
| | Mr. Sanjay Arora | - | - | - | - | 248.30 | 55.45 | - | - |
| | Mrs. Sakshi Gupta | - | - | - | - | 1.96 | - | - | - |
| | **^^^Name of KMP** | | | | | | | | |
| | Mr. Sanjay Arora | - | - | - | - | 114.73 | - | - | - |
| 9 | **Unsecured loan taken** | | | | | | | | |
| | Amber Enterprises India Limited | 1,735.65 | 500.00 | - | - | - | - | - | - |
| 10 | **Repayment received of unsecured loan taken** | | | | | | | | |
| | Amber Enterprises India Limited | 525.00 | - | - | - | - | - | - | - |
| 11 | **Interest given on unsecured loan** | | | | | | | | |
| | Amber Enterprises India Limited | 46.92 | 1.66 | - | - | - | - | - | - |
| 12 | **Optionally fully convertible debentures issued** | | | | | | | | |
| | Amber enterprises India limited | 31,000 | - | - | - | - | - | - | - |
| 13 | **Interest on optionally fully convertible debentures** | | | | | | | | |
| | Amber enterprises India limited | 450.99 | - | - | - | - | - | - | - |
| 14 | **Advances paid to supplier** | | | | | | | | |
| | Stelltek Technologies Private Limited | - | - | 45.69 | - | - | - | - | - |
| 15 | **Investment in equity instruments (unquoted) ( Fully paid equity shares)** | | | | | | | | |
| | Stelltek Technologies Private Limited | - | - | 5.00 | - | - | - | - | - |
| 16 | **Corporate guarantee taken*** | | | | | | | | |
| | Amber Enterprises India Limited | 7,000.00 | 5,000.00 | - | - | - | - | - | - |

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| Sl. No. | Particulars | Holding Company | | Entities over which significant influence is exercised | | Key management personnel | | Others | |
|---|---|---|---|---|---|---|---|---|---|
| | | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2024 |
| (B) | **Balances at year end** | | | | | | | | |
| 1 | **Trade payables** | | | | | | | | |
| | Amber Enterprises India Limited | 688.53 | 1,629.82 | - | - | - | - | - | - |
| | Ever Electronics Private Limited | - | - | 735.00 | 1,608.50 | - | - | - | - |
| | Sinkodia Pte. Limited | - | - | - | 18.80 | - | - | - | - |
| | Prayatika Tooling Services Private Limited | - | - | 49.22 | 3.17 | - | - | - | - |
| | KI Trading Co. Ltd. | - | - | - | 99 | - | - | - | - |
| | PICL (India) Private Limited | - | - | 55.81 | - | - | - | - | - |
| | Ascent Circuits Private Limited | - | - | 58.32 | - | - | - | - | - |
| 2 | **Trade receivables** | | | | | | | | |
| | Amber Enterprises India Limited | - | 767.96 | - | - | - | - | - | - |
| | PICL (India) Private Limited | - | - | - | 7.39 | - | - | - | - |
| | Sinkodia Pte. Limited | - | - | 54.21 | - | - | - | - | - |
| 3 | **Payable to KMPs** | | | | | | | | |
| | Ms. Lovely Mehra | - | - | - | - | 4.50 | 4.50 | - | - |
| | Mr. Arvind Uppal | - | - | - | - | 4.50 | 4.50 | - | - |
| | Mr. Sanjay Arora | - | - | - | - | 0.02 | 2.51 | - | - |
| | Mrs. Sakshi Gupta | - | - | - | - | 0.54 | - | - | - |
| 4 | **Advances paid to supplier** | | | | | | | | |
| | Stelltek Technologies Private Limited | - | - | 45.69 | - | - | - | - | - |
| 5 | **Investment in equity instruments (unquoted) ( Fully paid equity shares)** | | | | | | | | |
| | Stelltek Technologies Private Limited | - | - | 5.00 | - | - | - | - | - |
| 6 | **Unsecured loan received (disclosed under long term borrowings)** | | | | | | | | |
| | Amber enterprises India limited | 1,218.98 | - | - | - | - | - | - | - |
| 7 | **Optional fully convertible debentures Issued** | | | | | | | | |
| | Amber enterprises India limited | 31,000.00 | - | - | - | - | - | - | - |
| 8 | **Interest on optionally fully convertible debentures** | | | | | | | | |
| | Amber enterprises India limited | 405.89 | - | - | - | - | - | - | - |
| 9 | **Post-employment benefits of KMP's** | | | | | | | | |
| | Mr. Sanjay Arora | - | - | - | - | 160.42 | 7.39 | - | - |
| | Mrs. Sakshi Gupta | - | - | - | - | 0.58 | - | - | - |
| 10 | **Corporate guarantee taken*** | | | | | | | | |
| | Amber Enterprises India Limited | 21,000.00 | 20,750.00 | - | - | - | - | - | - |

* Guarantees taken by the Company includes corporate guarantee from Holding Company for working capital borrowings and term loans. The original sanctioned limits of working capital borrowings and term loans sanctioned by the banks has been disclosed above.

**Terms and conditions of transactions with related parties**

The transactions of sale and purchases with related parties are made on terms equivalent to those prevailing in arm's length transactions. The outstanding balances at the year end of trading activities are generally unsecured. Interest is charged as per terms of the contract with the related parties which is at arm's length. The net outstanding balances are settled generally in cash.

There have been no guarantees provided or received for any related party receivables or payables other than disclosed above.

For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: INR Nil lakh).

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## 43 Assets pledged/mortgaged/hypothecated as security

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Current** | | |
| Inventories | 8,917.98 | 12,711.83 |
| Trade receivables | 11,939.38 | 6,694.27 |
| Cash and cash equivalents | 1,080.40 | 228.27 |
| Other bank balances | 11.18 | 14.74 |
| Loans | 12.57 | 37.97 |
| Other financial asset | 687.38 | 44.97 |
| Other current assets | 1,461.68 | 5,859.67 |
| **Total current assets pledged/hypothecated as security** | **24,110.57** | **25,591.72** |
| **Non-current** | | |
| Property, plant and equipment | 14,461.91 | 8,907.19 |
| **Total assets pledged/mortgaged/hypothecated as security** | **38,572.48** | **34,498.91** |

## 44 Tax expense

The major components of income tax expense for the years ended 31 March 2024 and 31 March 2023 are:

| | | |
|---|---|---|
| **Profit or loss section** | | |
| **Current income tax:** | | |
| Current income tax charge | 201.45 | 243.27 |
| **Deferred tax** | | |
| Deferred tax charge | 106.48 | 279.34 |
| **Income tax expense reported in the statement of profit and loss** | **307.93** | **522.61** |
| **OCI section** | | |
| **Deferred tax related to items recognised in OCI during the year:** | | |
| Re-measurement (loss)/gain on defined benefit obligations | 0.47 | (2.62) |
| **Deferred tax charged to OCI** | **0.47** | **(2.62)** |

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for 31 March 2024 and 31 March 2023:

| | | |
|---|---|---|
| **Accounting profit before tax** | 1,154.33 | 1,662.69 |
| Income tax using the Company's domestic tax rate * | 34.94% | 27.82% |
| At India's statutory income tax rate* | **403.37** | **462.56** |
| Non-deductible expenses for tax purpose | 24.30 | 19.35 |
| Tax expense related to earlier years | 15.44 | 36.59 |
| Others | (135.18) | 4.11 |
| **Income tax expense reported in the statement of profit and loss** | **307.93** | **522.61** |
| * Domestic tax rate applicable to the Company has been computed as follows | | |
| Base tax rate | 30% | 25% |
| Surcharge (% of tax) | 12% | 7% |
| Cess (% of tax) | 4% | 4% |
| Applicable rate | 34.94% | 27.82% |

**Note**

The Taxation Laws (Amendment) Act, 2019 has amended the Income-tax Act, 1961 to provide an option to the Company to pay Income-tax at concessional rate of 25% plus applicable surcharge and cess, subject to certain specified conditions, as compared to the present rate of 30% plus applicable surcharge and cess for the assessment year 2020-21 onwards. The Company expects to avail the lower tax rate from a later financial year and accordingly remeasured deferred tax at such concessional rate, only to the extent that the deferred tax assets are expected to be realised or deferred tax liabilities are expected to be settled in the periods during which the Company expects to be subject to lower tax rate.

**Unused tax credits**

**MAT credit**

The Company had unused MAT credit amounting to INR 308.73 lakh as at 31 March 2024. MAT paid can be carried forward for a period of 15 years and can be set off against the future tax liabilities. MAT is recognised as a deferred tax asset only when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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45 Ratio Analysis and its elements

| Sl. No. | Ratio | Measurement unit | Numerator | Denominator | 31 March 2024 | 31 March 2023 | Change | Remarks |
|---|---|---|---|---|---|---|---|---|
| | | | | | Ratio | Ratio | | |
| 1 | **Current ratio** | Times | Current assets | Current liabilities | 0.80 | 0.89 | -10.36% | Refer Note(i) |
| 2 | **Debt-equity ratio** | Times | Total debt [Non-current borrowings + Current borrowings + Lease Liability] | Shareholder's equity | 6.46 | 1.20 | 436.92% | Refer Note(ii) |
| 3 | **Debt service coverage ratio** | Times | Earnings available 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.] | Debt service [finance cost as per Profit & Loss Account + lease payments + principal repayments (other than pre-payments, if any)] | 1.57 | 1.83 | -14.05% | Refer Note(i) |
| 4 | **Return on equity ratio** | Percentage | Net Profits after taxes – Preference Dividend (if any) | Average Shareholder's Equity | 13.38% | 21.86% | -38.81% | Refer Note(iii) |
| 5 | **Inventory turnover ratio** | Times | Revenue from operations | Average inventories ((Opening + Closing balance) / 2) | 8.45 | 9.23 | -8.67% | Refer Note(i) |
| 6 | **Trade receivables turnover ratio** | Times | Revenue from operations | Average trade receivables [(Opening balance + Closing balance) / 2] | 9.80 | 13.57 | -27.76% | Refer note (iv) |
| 7 | **Trade payables turnover ratio** | Times | Total purchases | Average trade payables [(Opening balance + Closing balance) / 2] | 4.95 | 6.82 | -27.39% | Refer Note(v) |
| 8 | **Net capital turnover ratio** | Times | Revenue from operations | Working capital [Current assets - Current liabilities] | (15.30) | (29.09) | -47.40% | Refer Note(iii) |
| 9 | **Net profit ratio** | Percentage | Net profit after taxes | Revenue from operations | 0.93% | 1.29% | -28.44% | Refer Note(iii) |
| 10 | **Return on capital employed** | Percentage | Profit before interest and taxes | Capital employed [Tangible net worth + Total debt + Deferred tax liability] | 5.63% | 18.51% | -69.59% | Refer Note(iii) |
| 11 | **Return on investment (Bank deposits)** | Percentage | Interest from bank deposits | Weighted time average bank deposits | 4.38% | 3.88% | -13.07% | Refer note (i) |

Notes:

(i) There is no significant change (25% or more) in FY 2023-24 in comparison to FY 2022-23.

(ii) The increase in ratio is primarily attributable to loan taken by the Company from Holding Company for acquisition made during the year.

(iii) Decrease in ratio is primarily due to increase in sales of low margin goods and increase in finance cost in comparison of previous years.

(iv) The change in ratio is primarily attributable to the increase in revenue from operations of the company during FY 2023-24 in comparison to FY 2022-23.

(v) The increase in ratio is primarily attributable to better control of inventory and lower payment terms of creditors and debtors for new business.

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## 46 Leases

### Company as a leasee

The Company has leases for the factory lands and building. With the exception of short-term leases, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. For leases over factory premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

**Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:**

| | Land | Building | Total |
|---|---|---|---|
| **As at 1 April 2022** | **458.68** | **-** | **458.68** |
| Additions | - | 2,559.00 | 2,559.00 |
| Depreciation expense | (5.86) | (129.19) | (135.05) |
| **As at 31 March 2023** | **452.82** | **2,429.81** | **2,882.63** |
| Additions | - | - | - |
| Depreciation expense | (5.87) | (314.09) | (319.96) |
| **As at 31 March 2024** | **446.95** | **2,115.72** | **2,562.67** |

**Set out below are the carrying amounts of lease liabilities and the movements during the period:**

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **As at 1 April** | **2,556.30** | **155.06** |
| Additions | - | 2,469.18 |
| Accretion of interest | 247.02 | 105.83 |
| Payments | (408.61) | (173.77) |
| **As at 31 March** | **2,394.71** | **2,556.30** |
| Current | 402.39 | 388.62 |
| Non-current | 1,992.32 | 2,167.68 |

The maturity analysis of lease liabilities is disclosed in Note 48.

The range of Interest rates for lease liabilities is 9.90% p.a. to 13.38% p.a. (31 March 2023: 9.90% p.a. to 13.38% p.a.) with maturity between FY 2032 to 2102 (31 March 2023: FY 2100-2102)

**A** The following are amounts recognised in profit or loss:

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Depreciation expense of right-of-use assets | 319.96 | 135.05 |
| Interest expense on lease liabilities | 247.02 | 105.83 |
| Expense relating to short-term leases (included in other expenses- Rent) | 74.03 | 52.64 |
| **Total** | **641.01** | **293.52** |

**B** Total cash outflow for leases for the year ended 31 March 2024 was INR 482.64 lakh (31 March 2023: INR 226.41 lakh). The Company also had non-cash additions to right-of-use assets and lease liabilities of INR Nil lakh in 31 March 2024 (31 March 2023: INR 2,469.18 lakh).

**C** The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see Note 2).

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IL JIN Electronics (India) Private Limited

## 47 Employee benefit obligations

### A Contribution to Defined Contribution Plans

The Company has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is as under:

| Particulars | For the year ended March 31 2024 | For the year ended March 31 2023 |
|---|---|---|
| Employer's contribution to Provident Fund | 83.59 | 54.43 |
| Employer's contribution to Employee State Insurance | 3.68 | 4.88 |
| **Expense recognised during the year** | **87.27** | **59.31** |

### B Gratuity

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Gratuity | 2.29 | 112.46 | 2.16 | 94.57 |
| **Total** | **2.29** | **112.46** | **2.16** | **94.57** |

**Disclosure of gratuity**

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. Gratuity (being administered by a Trust) is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement/termination/resignation. The Gratuity plan for the Company is a defined benefit scheme where annual contributions as demanded by the insurer are deposited to a Gratuity Trust Fund established to provide gratuity benefits. The Trust has taken an insurance policy, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity asset/liability in the books of account on the basis of actuarial valuation carried out by an independent actuary.

(i) **Amount recognised in the statement of profit and loss is as under:**

| Description | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Current service cost | 28.79 | 17.53 |
| Interest cost on benefit obligation | 5.16 | 6.28 |
| **Net impact on profit (before tax)** | **33.95** | **23.81** |
| Actuarial (loss)/gain recognised during the year | 1.34 | (9.41) |
| **Amount recognised in total comprehensive income** | **35.29** | **14.40** |

(ii) **Change in the present value of obligation:**

| Description | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Present value of defined benefit obligation as at the beginning of the year** | **96.73** | **86.52** |
| Current service cost | 28.79 | 17.53 |
| Interest cost | 7.15 | 6.28 |
| Benefits paid | - | (4.19) |
| Actuarial gain | 1.34 | (9.41) |
| **Present value of defined benefit obligation as at the end of the year** | **134.01** | **96.73** |

The Company expects to contribute INR 32.13 lakh (31 March 2023 : INR 41.96 lakh) to gratuity fund in the next financial year

(iii) **Movement in the plan assets recognised in the balance sheet is as under:**

| Description | For the year ended | For the year ended |
|---|---|---|
| **Fair value of plan assets at the beginning of the year** | **-** | **-** |
| Expected return on plan assets | - | - |
| Actual Income on Plan asset | 0.66 | - |
| Contribution to plan asset | 18.60 | - |
| **Fair value of plan assets at the end of the year** | **19.26** | **-** |

*100% of fund is managed by Insurance Company.

(iv) **Reconciliation of present value of defined benefit obligation and the fair value of assets:**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Present value of funded obligation as at the end of the year | 134.01 | 96.73 |
| Fair value of plan assets as at the end of the year funded status | 19.26 | - |
| **Unfunded/funded net liability recognized in balance sheet** | 114.75 | 96.73 |

(v) **Remeasurement gains/(losses) in other comprehensive income**

| Description | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Actuarial loss/(gain) from change in financial assumption | 2.00 | (1.68) |
| Actuarial (gain) from experience adjustment | (0.66) | (7.73) |
| **Total actuarial loss** | **1.34** | **(9.41)** |

(vi) **Actuarial assumptions**

| Description | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Discount rate | 7.25% | 7.39% |
| Rate of increase in compensation levels | 5.50% | 5.50% |
| Retirement age | 60 years | 60 years |

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(vi) **Sensitivity analysis for gratuity liability**

| Description | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Impact of change in discount rate** | | |
| Present value of obligation at the end of the year | **134.01** | **96.73** |
| - Impact due to increase of 0.50 % | (8.66) | (5.99) |
| - Impact due to decrease of 0.50 % | 9.56 | 7.26 |
| **Impact of change in salary increase** | | |
| Present value of obligation at the end of the year | **134.01** | **96.73** |
| - Impact due to increase of 0.50 % | 8.74 | 6.46 |
| - Impact due to decrease of 0.50 % | (7.97) | (5.91) |

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

(vii) **Maturity profile of defined benefit obligation**

| Description | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Within next 12 months | 2.29 | 2.16 |
| Between 1-5 years | 18.34 | 7.87 |
| Beyond 5 years | 113.38 | 86.71 |

The average duration of the defined benefit plan obligation at the end of the reporting period is 20.80 years (31 March 2023: 20.51 years).

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## 48 Fair value disclosures

### i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the financial statement are divided into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### ii) Financial assets measured at fair value - recurring fair value measurements

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis.

| Particulars | Level | 31 March 2024 | 31 March 2023 |
|---|---|---|---|
| **Financial assets** | | | |
| Investment in unquoted equity shares [refer (b) below] | Level 3 | - | 66.00 |
| **Financial liabilities** | | | |
| Derivative liability [refer (a) below] | Level 3 | 1,760.00 | - |

### A. Valuation process and technique used to determine fair value

(a) In order to arrive at the fair value of derivative asset and liability, the Company obtained fair value of options using appropriate method with the assistance of valuation expert.

(b) The fair value of investments in unquoted equity shares is based on the discounted future cash flows of respective investment.

### B. Significant unobservable inputs used in Level 3 fair values and sensitivity of the closing values to such inputs is as below :

| Description | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | Derivative asset | Derivative liability | Derivative asset | Derivative liability |
| **Volatility** | | | | |
| - Impact due to increase of 5.00 % | - | 150.00 | - | - |
| - Impact due to decrease of 5.00 % | - | (90.00) | - | - |
| **Weighted average cost of capital** | | | | |
| - Impact due to increase of 1.00 % | - | (980.00) | - | - |
| - Impact due to decrease of 1.00 % | - | 1,060.00 | - | - |
| **EBITDA** | | | | |
| - Impact due to increase of 10.00 % | - | 1,820.00 | - | - |
| - Impact due to decrease of 10.00 % | - | (1,770.00) | - | - |

### (iii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

| Particulars | Level | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|---|
| | | Carrying value | Fair value | Carrying value | Fair value |
| **Financial assets** | | | | | |
| Investment | Level 2 | 32,865.13 | 32,865.13 | 66.00 | 66.00 |
| Other financial assets | Level 3 | 909.38 | 933.47 | 265.03 | 265.03 |
| Trade receivables | Level 3 | 11,939.38 | 11,939.38 | 6,694.27 | 6,694.27 |
| Cash and cash equivalents | Level 3 | 1,080.40 | 1,080.40 | 228.27 | 228.27 |
| Other bank balances | Level 3 | 11.18 | 11.18 | 14.74 | 14.74 |
| Loans | Level 3 | 12.57 | 12.57 | 37.97 | 37.97 |
| **Total financial assets** | | **46,818.04** | **46,842.13** | **7,306.28** | **7,306.28** |
| **Financial liabilities** | | | | | |
| Borrowings | Level 3 | 41,763.72 | 41,763.72 | 4,453.56 | 4,453.56 |
| Trade payables | Level 3 | 16,208.40 | 16,208.40 | 14,029.24 | 14,029.24 |
| Other financial liabilities | Level 3 | 5,362.38 | 5,362.38 | 989.74 | 989.74 |
| **Total financial liabilities** | | **63,334.50** | **63,334.50** | **19,472.54** | **19,472.54** |

The management assessed that cash and cash equivalents, trade receivables, trade payables, other current financials assets, current borrowings and other current financial 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:

(i) Long-term fixed-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.

(ii) The fair values of the Company's fixed interest-bearing borrowings and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2024 was assessed to be insignificant.

(iii) All the other long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

## 49 Financial risk management

### i) Financial instruments by category

| Particulars | 31 March 2024 | | | 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost |
| **Financial assets** | | | | | | |
| Investments | - | - | 32,865.13 | 66.00 | - | - |
| Loans | - | - | 12.57 | - | - | 37.97 |
| Trade receivables | - | - | 11,939.38 | - | - | 6,694.27 |
| Cash and cash equivalents | - | - | 1,080.40 | - | - | 228.27 |
| Other bank balances | - | - | 11.18 | - | - | 14.74 |
| Other financial assets | - | - | 909.38 | - | - | 265.03 |
| **Total** | - | - | **46,818.04** | **66.00** | - | **7,240.28** |
| **Financial liabilities** | | | | | | |
| Borrowings | - | - | 41,763.72 | - | - | 4,453.56 |
| Trade payable | - | - | 16,208.40 | - | - | 14,029.24 |
| Lease liabilities | - | - | 2,394.71 | - | - | 2,556.30 |
| Other financial liabilities | 1,760.00 | - | 5,362.38 | - | - | 989.74 |
| Total | **1,760.00** | - | **65,729.21** | - | - | **22,028.84** |

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**ii) Risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

| Risk | Exposure arising from | Measurement | Management |
|---|---|---|---|
| Credit risk | Cash and cash equivalents, trade receivables, financial assets measured at amortised cost | Ageing analysis | Bank deposits, diversification of asset base, credit limits and collateral. |
| Liquidity risk | Borrowings and other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities |
| Market risk - foreign exchange | Recognised financial assets and liabilities not denominated in Indian rupee (₹) | Cash flow forecasting | Forward contract/hedging, if required |
| Market risk - interest rate | Long-term and short-term borrowings at variable rates | Sensitivity analysis | Negotiation of terms that reflect the market factors |

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

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**A) Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks

**a) Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low
B: Medium
C: High

Assets under credit risk –

| Credit rating | Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|---|
| A: Low | Investment | 31,405.13 | - |
| | Loans | 12.57 | 37.97 |
| | Cash and cash equivalents | 1,080.40 | 228.27 |
| | Other bank balances | 11.18 | 14.74 |
| | Other financial assets | 909.38 | 263.03 |
| | Trade receivables | 11,939.38 | 6,694.27 |
| C: High | Trade receivables | - | - |

*Cash and cash equivalents and bank deposits*

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

*Trade receivables*

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due.

*Other financial assets measured at amortised cost*

Other financial assets measured at amortised cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

**b) Expected credit losses**

*Trade receivables*

(i) The Company recognises lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables.

| Ageing | 31 March 2024 | | | 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | Gross carrying amount - trade | Expected loss rate | Expected credit loss | Gross carrying amount - trade | Expected loss rate | Expected credit loss |
| Current but not due | 10,874.85 | 0.00% | - | 3,954.04 | 0.00% | - |
| Less than 6 months | 644.14 | 0.00% | - | 2,128.78 | 0.00% | - |
| 6 months -1 year | 29.47 | 0.00% | - | 581.88 | 0.00% | - |
| 1-2 years | 390.92 | 0.00% | - | 29.57 | 0.00% | - |
| 2-3 years | - | 0.00% | - | - | 0.00% | - |
| More than 3 years | - | 0.00% | - | - | 0.00% | - |
| **Total** | **11,939.38** | | **-** | **6,694.27** | | **-** |

^ Amount is below the rounding off norms of the Company

(ii) Reconciliation of loss allowance provision from beginning to end of reporting period:

| Reconciliation of loss allowance | Trade receivables |
|---|---|
| **Loss allowance on 01 April 2022** | - |
| Add (Less): Changes in loss allowances due to bad debts | - |
| **Loss allowance on 31 March 2023** | - |
| Add (Less): Changes in loss allowances due to bad debts | - |
| **Loss allowance on 31 March 2024** | - |

*Other financial assets measured at amortised cost*

The Company provides for expected credit losses on loans and advances by assessing individual financial instruments for expectation of any credit losses. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Company can draw to apply consistently to entire population For such financial assets, the Company's policy is to provides for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

**B) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.
Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**a) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| - Expiring within one year (cash credit and other facilities) | 7,718.70 | 8,433.63 |
| - Expiring beyond one year (bank loans) | - | - |
| | **7,718.70** | **8,433.63** |

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**b) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity Companying's based on their contractual maturities for all non-derivative financial liabilities.
The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| 31 March 2024 | Less than 1 year | 1-3 years | 3-5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| **Non-derivative** | | | | | |
| Borrowings | 4,326.84 | 2,370.18 | 2,013.23 | 33,053.47 | **41,763.72** |
| Trade payable | 16,208.40 | - | - | - | **16,208.40** |
| Lease liabilities | 423.01 | 891.36 | 951.51 | 7,347.55 | **9,613.43** |
| Other financial liabilities | 7,122.38 | - | - | - | **7,122.38** |
| **Total** | 28,080.63 | 3,261.54 | 2,964.74 | 40,401.02 | **74,707.93** |

| 31 March 2023 | Less than 1 year | 1-3 years | 3-5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| **Non-Derivative** | | | | | |
| Borrowings | 1,675.08 | 1,268.76 | 1,167.86 | 341.86 | **4,453.56** |
| Trade payable | 14,029.24 | - | - | - | **14,029.24** |
| Lease liabilities | 408.61 | 860.95 | 922.91 | 7,829.57 | **10,022.04** |
| Other financial liabilities | 989.74 | - | - | - | **989.74** |
| **Total** | 17,102.67 | 2,129.72 | 2,090.77 | 8,171.43 | **29,494.58** |

**C) Market Risk**

**a) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

(i) The Company uses foreign currency forward exchange contracts to hedge its risks associated with fluctuations in foreign currencies relating to foreign currency liabilities. The following are outstanding derivatives contracts:

| Nature of hedge instrument | Description of hedge | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|---|
| | | Amount in foreign currency (USD/JPY) | Amount in Indian Rupees | Amount in foreign currency (USD/JPY) | Amount in Indian Rupees |
| **Contract : Forward contract** | | | | | |
| Forward contract | To take protection against appreciation in Indian Rupees against USD payable in | 12.00 | 999.12 | 5.92 | 486.99 |
| Forward contract | To take protection against appreciation in Indian Rupees against USD payable in respect of imports against letter of credit | - | - | 2.78 | 228.54 |
| Forward contract | To take protection against appreciation in Indian Rupees against JPY payable in respect of direct imports | 1,138.20 | 646.61 | - | - |

**(ii) Unhedged foreign currency risk exposure in USD:**

The Company exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

| Particulars | 31 March 2024 | | | 31 March 2023 |
|---|---|---|---|---|
| | JPY | USD | CNY | USD |
| **Financial liabilities** | 344.98 | 3,043.13 | 0.89 | 1,491.11 |
| **Net exposure to foreign currency risk (liabilities)** | (344.98) | (3,043.13) | (0.89) | (1,491.11) |

**Sensitivity**

The sensitivity of profit or loss before tax and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **USD sensitivity** | | |
| INR/USD- increase by 2.10% (previous year: 4.88%)* | (63.91) | (72.77) |
| INR/USD- decrease by 2.10% (previous year: 4.88%)* | 63.91 | 72.77 |
| INR/CNY - increase by 6.73% (previous year: %)* | (0.06) | - |
| INR/CNY- decrease by 6.73% (previous year: %)* | 0.06 | - |
| INR/JPY - increase by 8.40% (previous year: %)* | (28.98) | - |
| INR/JPY- decrease by 8.40% (previous year: %)* | 28.98 | - |

** Holding all other variables constant*

**b) Interest rate risk**

**i) Liabilities**

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2024, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits all pay fixed interest rates.

*Interest rate risk exposure*

Below is the overall exposure of the Company to interest rate risk:

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Variable rate borrowing | 10,750.34 | 4,434.20 |
| Fixed rate borrowing | 13.39 | 19.36 |
| **Total borrowings** | **10,763.73** | **4,453.56** |

*Sensitivity*

Below is the sensitivity of profit or loss and equity changes in interest rates.

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Interest sensitivity*** | | |
| Interest rates – increase by 100 bps (previous year: 100 bps)* | 107.50 | 44.34 |
| Interest rates – decrease by 100 bps (previous year: 100 bps)* | (107.50) | (44.34) |

** Holding all other variables constant*

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**ii) Assets**

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**c) Price risk**

The Company does not have any significant investments in equity instruments which create an exposure to price risk.

**50 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a debt equity ratio, which is total borrowing divided by total equity.

The Company includes within total borrowing, interest bearing loans, borrowings and lease liabilities.

**(a) Debt equity ratio**

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Total borrowings* | 44,158.43 | 7,009.85 |
| Total equity | 6,832.19 | 5,823.24 |
| **Debt to equity ratio** | **6.46** | 1.20 |

**including lease liabilities*

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## 51 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

(i) Identify the contract(s) with customer;
(ii) Identify separate performance obligations in the contract;
(iii) Determine the transaction price;
(iv) Allocate the transaction price to the performance obligations; and
(v) Recognise revenue when a performance obligation is satisfied.

### (a) Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

| Sale of Products | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Revenue from customers (transferred at point of time) | 87,121.46 | 87,919.38 |
| **Total revenue from contracts with customers** | **87,121.46** | **87,919.38** |
| **Revenue by geography** | | |
| India | 87,112.59 | 87,919.38 |
| Outside India | 8.87 | - |
| **Total revenue from contracts with customers** | **87,121.46** | **87,919.38** |
| **Timing of revenue recognition** | | |
| Goods transferred at a point in time | 87,121.46 | 87,919.38 |
| **Total revenue from contracts with customers** | **87,121.46** | **87,919.38** |

### (b) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

| Description | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period | 10,925.39 | 50.91 |
| Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods | - | - |
| **Total** | **10,925.39** | **50.91** |

### (c) Contract Balances

| Description | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Non-current | Current | Non-current | Current |
| **Trade Receivable** | - | **11,939.38** | - | **6,694.27** |
| **Contract liabilities related to sale of goods** | | | | |
| Advance from customers | - | 2,428.70 | - | 10,925.39 |

Trade receivables are non-interest bearing and are generally on terms of 15 to 90 days.
Contract liabilities consist of short-term advances received from customer to supply goods.

### (d) Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price

| Description | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Contract price | 87,585.63 | 87,919.38 |
| Less: Sale Return | 464.17 | - |
| Less: Discount, rebates, credits etc. | - | - |
| **Revenue from operations as per Statement of Profit and Loss** | **87,121.46** | **87,919.38** |

### (e) Performance obligations

The performance obligation is satisfied upon delivery of the product and payment is generally due within 15 days to 90 days from delivery.

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## 52 Share based payments

### (a) Scheme details

The Holding Company has Employee Stock Option Scheme i.e. "Amber Enterprises India Limited - Employee Stock Option Plan 2017" ("Plan"), under which the Nomination and Remuneration Committee, at its discretion, may grant share options of the company to eligible employees of the Company or to the employees of any of its subsidiary company. Under this plan, the options shall vest not earlier than 1 (One) year and not later than maximum Vesting Period of 5 (Five) years from the date of Grant. Vesting of Options would be subject to continued employment with the Company, including with the Subsidiaries, as the case may be, and thus the Options would vest essentially on passage of time.

| Number of options outstanding | Grant date | Vesting date | Exercise period | Exercise price | Fair value on grant date |
|---|---|---|---|---|---|
| 2,500 | 13-May-22 | 12-May-23 | 3 years from date of vesting | 2,879.45 | 1,372.00 |
| 2,500 | 13-May-22 | 12-May-24 | 3 years from date of vesting | 2,879.45 | 1,533.90 |
| 2,500 | 13-May-22 | 12-May-25 | 3 years from date of vesting | 2,879.45 | 1,674.00 |
| 2,500 | 13-May-22 | 12-May-26 | 3 years from date of vesting | 2,879.45 | 1,825.20 |
| 12,500 | 19-Apr-21 | 18-Apr-24 | 3 years from date of vesting | 2,400.00 | 1,598.10 |
| 12,500 | 19-Apr-21 | 18-Apr-25 | 3 years from date of vesting | 2,400.00 | 1,731.00 |

### (b) Compensation expenses arising on account of the share based payments

| | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Expenses arising from equity – settled share-based payment transactions | 163.42 | 69.54 |
| **Total** | **163.42** | **69.54** |

### (c) Fair value on the grant date

The fair value at grant date is determined using "Black Scholes Pricing Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.

The following inputs were used to determine the fair value for options granted on 19 April 2021:

| Description | Vest 3 | Vest 4 |
|---|---|---|
| Number of options outstanding | 12,500.00 | 12,500.00 |
| Grant date | 19-Apr-21 | 19-Apr-21 |
| Financial year of exercise | 2024-25 to 2027-28 | 2025-26 to 2028-29 |
| Share price on grant date (in INR) | 3,147.95 | 3,147.95 |
| Expected life (in years) | 4.5 | 5.5 |
| Price volatility of company's share * | 42.10% | 42.20% |
| Risk free interest rate | 5.50% | 5.80% |
| Exercise price (in INR) | 2,400.00 | 2,400.00 |
| Dividend yield | 0.29% | 0.29% |
| Fair value of option (in INR) | 1,598.10 | 1,731.00 |

* The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date based on the daily closing market price of the Company's stock on BSE over these years.

The following inputs were used to determine the fair value for options granted on 13 May 2022.

| Description | Vest 1 | Vest 2 | Vest 3 | Vest 4 |
|---|---|---|---|---|
| Number of options outstanding | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 |
| Grant date | 13-May-22 | 13-May-22 | 13-May-22 | 13-May-22 |
| Financial year of exercise | 2023-24 to 2026-27 | 2024-25 to 2027-28 | 2025-26 to 2028-29 | 2026-27 to 2029-30 |
| Share price on grant date (in INR) | 3,379.45 | 3,379.45 | 3,379.45 | 3,379.45 |
| Expected life (in years) | 2.5 | 3.5 | 4.5 | 5.5 |
| Price volatility of company's share * | 47.10% | 43.70% | 41.90% | 41.90% |
| Risk free interest rate | 6.70% | 7.10% | 7.20% | 7.40% |
| Exercise price (in INR) | 2,879.45 | 2,879.45 | 2,879.45 | 2,879.45 |
| Dividend yield | 0.29% | 0.29% | 0.29% | 0.29% |
| Fair value of option (in INR) | 1,372.00 | 1,533.90 | 1,674.00 | 1,731.00 |

* The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on BSE over these years.

### (d) Movement in share options during the year

| Description | Number of options | Weighted average exercise price |
|---|---|---|
| **Outstanding as on 01 April 2022** | - | - |
| Options granted during the year | 10,000 | 2,879.45 |
| Options forfeited/lapsed/expired during the year | - | - |
| Options exercised during the year | - | - |
| **Options outstanding as at 31 March 2023 ^#** | 10,000 | 2,879.45 |
| Options granted during the year | 25,000 | 2,400.00 |
| Options forfeited/lapsed/expired during the year | - | - |
| Options exercised during the year | - | |
| **Options outstanding as at 31 March 2024** | 35,000 | 2536.99 |
| Exercisable at the end of the period. | 2,500 | |

^ The weighted average remaining contractual life of the share options outstanding at the end of year is 3.57 years (31 March 2023 : 4.61 years)
# The weighted average fair value of share options outstanding at the end of year is INR 1,639.74 per share option.

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**53 Details of CSR expenditure:**

| | 31 March 2024 | 31-Mar-23 |
|---|---|---|
| a) Gross amount required to be spent by the Company during the year | 17.79 | 13.41 |
| b) Amount approved by the Board to be spent during the year. | **17.79** | **13.41** |

| c) Amount spent during the year ended on 31 March 2024: | In cash | Yet to be paid in cash | Total |
|---|---|---|---|
| i) Construction/acquisition of any asset | - | - | - |
| ii) On purposes other than (i) above | 242.13 | - | 242.13 |

| d) Amount spent during the year ending on 31 March 2023: | In cash | Yet to be paid in cash | Total |
|---|---|---|---|
| i) Construction/acquisition of any asset | - | - | - |
| ii) On purposes other than (i) above | 119.84 | - | 119.84 |

| (e) Details of spent on other than ongoing projects: | 31 March 2024 | 31 March 2023 |
|---|---|---|
| (i) Promoting education including special education and employment enhancing vocation skills especially among children, women, | 242.13 | 119.84 |
| **Total** | **242.13** | **119.84** |

f) There are no unspent amount during at the end of year.

| g) Details of excess CSR expenditure: | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Opening Balance as at 1 April** | 106.43 | - |
| Amount required to be spent during the year | 17.79 | 13.41 |
| Amount spent during the year | 242.13 | 119.84 |
| **Closing Balance 31 March** | **330.77** | **106.43** |

**54 Segment information**

The Company's primary business segment is reflected based on principal business activities carried on by the Company. Chairman and Managing Director have been identified as the Chief Operating Decision Makers ('CODM') and evaluates the Company's performance and allocates resources based on analysis of the various performance indicators of the Company as a single unit. Therefore, there are no separate reportable business segments as per Ind AS 108- Operating Segments. The Company operates in one reportable business segment i.e., manufacturing of consumer durable products and is primarily operating in India and hence, considered as single geographical segment (refer note 51 for revenue by geography). Majority of the revenue is derived from one geography and three external customers (who individually constitutes more than 10% of the Company's total revenue) amounting to INR 63,757.21 lakh (31 March 2023: INR 70,767.20 lakh from three external customers who individually constitutes more than 10% of the Company's total revenue).

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## 55 Additional regulatory information

(i)The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property. under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) The Company does not have any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act 1956.

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended as at M 2023

| Name of struck off Company | Nature of transactions with struck-off Company | Balance outstanding as on 31 March 2023 | Relationship with the Struck off company, if |
|---|---|---|---|
| Paradise Plastics Enterprises Limited | Sale of Goods | 20.50 | External Customer |

(iii) The Company does not have any charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(iv) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Company has not received or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall other than mentioned in note 21(g):

(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.

(vi) The Company have not 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).

(vii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(viii) The Board of Directors in its meeting held on 10 February 2024, had approved the Scheme of Amalgamation of Ever Electronics Private Limited ("Transferor Company") with and into IL JIN Electronics (India) Private Limited ("Transferee Company"), with effect from the appointed date of 1 April 2023. The subsidiary companies had filed the scheme of Amalgamation, ("the Scheme") under section 230 to 232 of Companies Act 2013 read with Companies (Compromise, Arrangement and Amalgamation) Rules, 2016 (as amended from time to time) and applicable provisions of the National Company Law Tribunal Rules, 2016 ("NCLT Rules") with the Hon'ble National Company Law Tribunal (NCLT) Mumbai bench which is still under process.

(ix) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

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56 The Company has appointed independent consultants for conducting a transfer pricing study to determine whether the international transactions with associate enterprises and specified domestic transactions were undertaken at "arm's length basis". Adjustments, if any arising from the transfer pricing study shall be accounted for as and when the study is completed. The management confirms that all international transactions with associate enterprises and specified domestic transactions are undertaken at negotiated contracted prices on usual commercial terms. Transfer pricing certificate under Section 92E for the year ending 31 March 2023 has been obtained and there are no adverse comments requiring adjustments in these accounts.

57 The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for direct changes to data for users with certain privileged access rights and also for certain changes made using privileged/ administrative access right. Further no instance of audit trail feature being tampered with was noted in respect of other software.

58 During the current year, the Company has made investment in "Ascents Circuits Private Limited " vide which it became subsidiary of the Company. The Company, being subsidiary of Amber Enterprises India Limited, has obtained No objection certificate from Non-Controlling Interest shareholders pursuant to Rule 6 of Companies (Accounts) Rules, 2014 and availed exemption under Ind AS 110 - "Consolidated Financial Statements" for preparation of consolidated financial statements (CFS) since the ultimate holding company, Amber Enterprises India Limited, has prepared the consolidated financial statements which are available for public use.

**For S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 301003E/E300005

**per Vishal Sharma**
Partner
Membership Number: 096766

S.R. Batliboi & Co. LLP Gurugram

**Place: Gurugram**
Date: 17 May 2024

For and on behalf of Board of Directors of
**IL JIN Electronics (India) Private Limited**

**Jasbir Singh**
Director
DIN: 00259632

**Place: Gurugram**
Date: 17 May 2024

**Daljit Singh**
Director
DIN No.: 02023964

**Place: Gurugram**
Date: 17 May 2024

**Sakshi Gupta**
Company Secretary
Membership No. A56036

**Place:** Gurugram
**Date:** 17 May 2024

IL JIN Electronics (India) Private Limited