ELIN ELECTRONICS LIMITED
Regd. Office - 143, Cotton Street, Kolkata -700007
Tel: 033-22684329, Email id: rkc@elinindia.com, Website- www.elinindia.com
CIN: U29304WB1982PLC034725

BOARD'S REPORT

To the members,

The Board of Directors are pleased to present the Company's 40th Annual Report on business and operations together with the Audited Financial Statements (Consolidated as well as Standalone) for the year ended March 31, 2022.

FINANCIAL RESULTS

(Figures in INR Millions*)

Particulars	Standalone		Consolidated	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Revenue from Operations	8,916.06	7,120.11	10,937.54	8,623.78
Other Income	4.51	16.91	9.14	25.23
Total Income	8,920.57	7,137.02	10,946.68	8,649.02
Profit before Finance Cost, Depreciation, Impairment and Amortization expenses	679.79	570.51	799.30	690.03
Less: Finance Cost	121.68	85.51	127.04	96.76
Profit before depreciation and amortisation	558.11	485.00	672.26	593.27
Depreciation, Impairment & Amortization expenses	127.55	103.59	143.53	118.35
Profit before Taxes	430.56	381.41	528.73	474.92
Less: Provision for Current Tax	103.58	88.70	127.94	109.90
Provision for Deferred Tax	8.65	13.69	8.98	16.45
Profit for the year	318.34	279.02	391.81	348.57
Transfer to General Reserve	50.00	50.00	50.00	50.00
EPS (Basic and diluted) (amount in INR)	7.48	6.55	9.59	8.53

*Figures as per (Ind AS)

DIVIDEND

Your Directors are pleased to recommend a dividend at the rate of Rs. 1/-per equity share on 4,25,74,200 equity shares of face value of Rs.5/- each for the financial year ended 31st March, 2022 subject to the approval of the Shareholders at the ensuing 40th Annual General Meeting (AGM) of the Company. The dividend, if declared by the Shareholders in the AGM will be subject to deduction of tax at source at applicable rates.

The Dividend Distribution Policy is also available on the website of the Company.

PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

During the year under review, the revenue from operations (Standalone) increased by 25.22% to Rs. 8,916.06 Millions as against Rs. 7,120.11 Millions in the previous financial year. The net profit after tax increased by 14.09% to Rs. 318.34 Millions as against Rs. 279.02 Millions in the previous financial year.

The consolidated revenue from operations was increased by 26.83% to Rs. 10,937.54 Millions as against Rs. 8,623.78 Millions in the previous financial year. The consolidated net profit after tax increased by 12.40% to Rs. 391.81Millions as against Rs. 348.57 Millions in the previous financial year.

CHANGE IN SHARE CAPITAL

During the Financial Year 2021-22:

1. Authorized share capital of the Company was increased from ₹ 10,25,00,000 (Rupees Ten Crores Twenty Five Lacs) divided into 1,02,50,000 (One Crore Two Lakhs Fifty Thousand) Equity Shares of ₹ 10 each to ₹ 50,00,00,000 (Rupees Fifty Crores) divided into 10,00,00,000 (Ten Crores) Equity Shares of ₹ 5 each.
2. Sub-division of 70,95,700 Equity shares: Each fully paid up equity share of the nominal value of ₹ 10 each in the capital of the Company was sub-divided into two equity shares of ₹ 5 each fully paid up.
3. The Company has made a bonus issue by way of allotment of 2,83,82,800 equity shares of face value of Rs.5/- each in ratio of 2:1 (i.e. two equity shares for every one equity share already held) to the Members .
4. The Draft Red Herring Prospectus (DRHP) was filed by the company with SEBI on November 17, 2021 for an aggregating up to ₹ 7,600 million consisting of a Fresh issue of up to ₹1,750 million and an Offer for Sale up to ₹5,850 million, by the Selling Shareholders and in-principal approval received from BSE Ltd and National Stock Exchange of India Ltd on December 14, 2021 and December 28, 2021 respectively.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business during the financial year 2021-22.

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

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

COVID-19 PANDEMIC

An outbreak of the COVID-19 was recognized as a pandemic by the World Health Organization ("**WHO**"), on March 11, 2020. In response to the COVID-19 pandemic, the governments of many countries, including India have taken preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. Individuals' ability to travel both within and outside of India have been curtailed through mandated travel restrictions and may be further limited. Since May 2020 some of these measures have been lifted and partial travel has been permitted. These measures have impacted and may have a further impact on our workforce and our operations in the jurisdictions in which we operate, the business of our customers and suppliers.

A second wave of COVID-19 beginning in March 2021 became more severe and widespread than the first wave during 2020, with many geographies experiencing shortages of vaccines, hospital beds and oxygen. This second wave also resulted in additional lockdowns throughout India. This resulted in the temporary suspension of operations and/or reduced capacity at manufacturing facilities and other restrictions in various parts of India. The COVID-19 pandemic has affected, and may continue to affect, our business, results of operations and financial condition in a number of ways.

Moreover, as a result of the detection of new strains, evolving variants such as 'Omicron variant' and subsequent waves of COVID-19 infections in several states in India as well as throughout various parts of the world, we may be subject to further lockdowns or other restrictions in the rest of Fiscal 2022, which may adversely affect our business operations. We also cannot predict the impact that the COVID-19 pandemic will have on our customers, suppliers and other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us. Additionally, if any one or more of our employees are identified as a possible source of spreading COVID-19 or any other similar epidemic, we may be required to quarantine employees that are suspected of being infected, as well as others that have come into contact with those employees, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

QUALITY CERTIFICATION

The Company continued to have ISO 9001:2008 certification for 'Quality Management System Standard' and ISO 14001:2004 certification for 'Environment Management System Standard' and TS: 16949: 2009 quality certifications for automotive parts.

RISK MANAGEMENT POLICY

The Board has assessed the risk that the organization faces such as Strategic, Financial, Credit, Market, Liquidity, Security, IT, Legal and other risks and there is an adequate Risk Management infrastructure in place to address those risks. There is no major risk which may threaten the existence of the Company. The Risk Management Policy is uploaded on the website of the Company. During the Financial Year 20221-22 the Board has constituted Risk Management Committee comprises Shri Kamal Sethia, Managing Director as Chairman of the Committee, Shri Sanjeev Sethia, Whole-Time Director as Member and Shri Kamal Singh Baid, Non Executive Independent Director as Member.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the financial year, such controls were tested and no material weakness in the design or operation were observed.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

'Elin Appliances Private Limited' is the wholly owned subsidiary of our Company.

A statement containing salient features of the financial statements of subsidiary as per the Companies Act, 2013 "(the Act)" is provided as Annexure-III to the consolidated Financial Statements. No Company has become/ceased to be an Associate or Joint Venture during the financial year 2021-22.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards and provisions of the Companies Act, 2013. The audited consolidated financial statements together with Auditor's Report form part of the Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remarks.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of investments covered under Section 186 of the Companies Act, 2013 are given in notes to the financial statements. No loans or guarantees were made during the year by the Company under Section 186 of the Act.

PUBLIC DEPOSITS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors:

The changes in directorship during the year are as under:

1. Shri Mangilall Sethia (DIN: 00081367) had stepped down as Managing Director of the company and his designation was changed from 'Chairman and Managing Director' to 'Chairman' with effect from 06 September 2021.

He was appointed as Whole time Director designated as 'Chairman', for a period of 3 years effective from 01st October 2021, approved by the Shareholders in their last Annual General Meeting held on 30th September, 2021.

2. Re-appointment of Shri Kamal Sethia (DIN: 00081116) as Whole time director for a period of five years effective from 01st April 2021 and Change in his designation to Managing director effective from 06th September 2021, approved by the Shareholders in their last Annual General Meeting held on 30th September, 2021.
3. Re-appointment of Shri Vinay Kumar Sethia as Wholetime director for the period from 01st April 2021 to 06th September 2021, approved by the Shareholders in their last Annual General Meeting held on 30th September, 2021.
4. Re-appointment of Shri Kishor Sethia as Wholetime director for the period from 01st April 2021 to 06th September 2021, approved by the Shareholders in their last Annual General Meeting held on 30th September, 2021.
5. Re-appointment of Shri Sanjeev Sethia (DIN: 00354700) as Wholetime director of the company for a period of 5 years w.e.f. 1st April, 2021 up to 31st March, 2026, approved by the Shareholders in their last Annual General Meeting held on 30th September, 2021.
6. Resignation of Shri Vinay Kumar Sethia, Whole time director from directorship w.e.f. 06th September 2021.
7. Resignation of Shri Kishore Sethia, Whole time director from Directorship w.e.f. 06th September 2021.
8. Appointment of Dr. S.L Sarnot (DIN: 01899198)upon the recommendation of Nomination and Remuneration Committee as an Additional Independent Director of the Company in the Board meeting held on 30th September 2021 for first term of 5 consecutive years subject to approval of Shareholders. The online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs is not applicable to Dr. S.L Sarnot. The Board have expressed their satisfaction with regard to integrity, expertise and experience of Dr. S.L Sarnot and hereby recommends his appointment for approval of shareholders in the ensuing Annual General Meeting.
9. Appointment of Shri Ashis Chandra Guha (DIN:09352987) upon the recommendation of Nomination and Remuneration Committee as an Additional Independent Director of the Company in the board meeting held on 30th September 2021 w.e.f. 08 October 2021 for first term of 5 consecutive years subject to approval of Shareholders. The online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs is applicable to Shri Ashis Chandra Guha. The Board have expressed their satisfaction with regard to integrity, expertise and experience of Shri Ashis Chandra Guha and hereby recommends his appointment for approval of shareholders in the ensuing Annual General Meeting.

Shri Kamal Sethia (DIN: 00081116) and Shri Mangilall Sethia (DIN: 00081367) shall retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board hereby recommends their re-appointment for approval of shareholders in the ensuing Annual General Meeting.

The Company has received declarations from Shri Kamal Singh Baid, Shri Shantilal Sarnot, Shri Ashis Chandra Guha and Smt. Shilpa Baid, the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. They have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. Shri Kamal Singh Baid and Smt. Shilpa Baid, the Independent Directors of the Company have passed an online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs in February, 2022.

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

The brief profile, pursuant to Secretarial Standards-2, of the Directors eligible for appointment/ re-appointment forms part of the Notice of Annual General Meeting.

Key Managerial Personnel (KMP)

1. Shri Vinay Kumar Sethia, designated as KMP w.e.f. 30th September, 2021 under the provisions of Section 2(51) of the Companies Act, 2013 and resigned w.e.f. 1st April, 2022. The Board placed on record a deep appreciation for the valuable services rendered by Shri Vinay Kumar Sethia towards the progress of the Company during his tenure as Key Managerial Personnel of the Company.

2. Shri Kishore Sethia, designated as KMP w.e.f. 30th September, 2021 under the provisions of Section 2(51) of the Companies Act, 2013.

3. Shri Raj Karan Chhajer upon the recommendation of Nomination and Remuneration Committee designated as the Chief Financial Officer of the Company w.e.f. 30th September 2021. He has been a part of the Company since 1975. He holds a bachelor's degree in commerce from University of Delhi. He has over 40 years of experience in overseeing finance functions of the Company.

4. Shri Avinash Chandra Karwa, has resigned from the position of Company Secretary and Compliance Officer w.e.f. 14th June, 2022. and will continue to hold the position of AGM Finance in the Company.

5. Appointment of Ms. Lata Rani Pawa upon the recommendation of Nomination and Remuneration Committee as the Company Secretary and Compliance Officer of the Company w.e.f. 14th June, 2022. She has been a part of the Company since November, 2021. She is an associate member of the Institute of Company Secretaries of India. She has approximately 10 years of experience in secretarial work.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors in the manner as enumerated in the Nomination and Remuneration Policy of the Company. Only the Director being evaluated did not participate in the said evaluation discussion.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated.

Regarding proficiency, the Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). Accordingly, all the Independent Directors of the Company have registered themselves with IICA for the said purpose.

DIRECTOR RESPONSIBILITY STATEMENT

The Directors hereby confirm that

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departures from the same;
b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
d) the directors have prepared the annual accounts on a going concern basis; and
e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

MEETINGS OF THE BOARD

During the Financial year Ten meetings of the Board were held on 30th April, 2021, 16th July, 2021, 6th September, 2021, 30th September, 2021, 9th October, 2021, 8th November, 2021, 9th November, 2021, 17th November, 2021, 14th February, 2022 and 07th March, 2022.

AUDIT COMMITTEE

The Audit Committee comprises of Shri Kamal Singh Baid, Independent Director as Chairman, Ms. Shilpa Baid, independent director as member and Shri Kamal Sethia , Managing Director as its member. Seven meetings of the audit committee were held during the Financial year on 30th April, 2021, 16th July, 2021, 6th September, 2021, 30th September, 2021, 9th November, 2021, 17th November, 2021 and 7th March, 2022.

VIGIL MECHANISIM

The company has in place a vigil mechanism for Directors and employees to report genuine concerns and grievances. Adequate safeguards are provided against victimization of those who want to avail of the mechanism. The Whistle Blower Policy has been uploaded on the website of the Company.

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

There were no significant material orders passed by the Regulators/ Courts/ Tribunals during the financial year 2021-22 which would impact the going concern status of the Company and its future operations.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as applicable. The Company has not received any complaint during the Financial year.

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Committee (NRC) comprises of Shri Kamal Singh Baid, Non-Executive Independent Director as Chairman, Ms. Shilpa Baid, Non-Executive Independent Woman Director as member and Shri Shanti Lal Sarnot Non-Executive Independent Director as member. Three meetings of the Nomination and Remuneration Committee (NRC) were held during the year dated 6th September, 2021, 30th September, 2021 and 7th March, 2022. The Nomination & Remuneration Policy of the Company is available at the website of the Company at www.elinindia.com

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility committee comprises of Shri Kamal Sethia, Managing Director as Chairman; Shri Sanjeev Sethia, Whole – time Director as member and Shri Kamal Singh Baid, independent director as member. Two meetings of the CSR committee were held during the year on 16th July, 2021 and 17th March, 2022. The CSR policy focuses on addressing critical, social, environmental and economic needs of the under privileged section of the Society of India and also undertake other need based initiatives in compliance with Schedule VII of the Act. The Committee monitors the implementation of the CSR projects or programs or activities undertaken by the Company. Disclosure on CSR is annexed herewith as an **Annexure I** to this Report.

IPO COMMITTEE

The Board of Directors at its meeting held on 9th October, 2021 has constituted IPO Committee comprises of Shri Kamal Sethia, Managing Director as Chairperson, Shri Sanjeev Sethia, Whole-Time Director as member and Shri Kamal Singh Baid, Independent Director as member.

STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Board of Directors at its meeting held on 9th October, 2021 has constituted Stakeholders Relationship Committee comprises of Shri Kamal Singh Baid, Independent Director as Chairman, Ms. Shilpa Baid, Independent Director as member and Shri Kamal Sethia , Managing Director as its member.

STATUTORY AUDITORS & AUDITOR'S REPORT

M/s. Oswal Sunil & Company, Chartered Accountants (Firm Registration number 016520N) were appointed as the Statutory Auditors of the Company for a term of five consecutive years, at the 35th annual general meeting held on 29th September, 2017 till the conclusion of 40th AGM to be held in the year 2022. Accordingly, the existing Statutory Auditors are due for retirement at the ensuing Annual General Meeting.

Subject to the approval of the members of the Company, the Audit Committee and the Board of Directors during their respective meetings held on May 30, 2022 have considered and recommended the re-appointment of M/s. Oswal Sunil & Company, Chartered Accountants (Firm Registration number 016520N) as the Statutory Auditors of the Company, to hold office from the conclusion of the 40th Annual General Meeting until the conclusion of the 45th Annual General Meeting of the Company to be held in year 2027. M/s. Oswal Sunil & Company, Chartered Accountants (Firm Registration number 016520N) have given their consent for the proposed re-appointment as Statutory Auditors of the Company. They have further confirmed that the said re-appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 and that they are not disqualified for appointment. The Auditor's Reports on the Standalone and the Consolidated Financial Statements for the financial year ended March 31, 2022 does not contain any qualification, reservation or adverse remark requiring any explanations / comments by the Board of Directors.

COST AUDITORS

The Board has re-appointed M/s Bhavna Jaiswal & Associates, Cost Accountants (Firm Registration number 100608), as Cost Auditor for conducting the audit of cost records of the Company for the financial year 2022-23. A proposal for ratification of remuneration of the Cost Auditors for the financial year 2022-23 is placed before the shareholders at the ensuing Annual General Meeting.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board has re-appointed M/s Akshat Garg & Associates, Company Secretaries to conduct Secretarial Audit of the Company for the financial year 2022-23. The Secretarial Audit Report in form no. MR-3 for the financial year ended 31st March 2022 is annexed herewith as an **Annexure II** to this Report. The said report does not contain any qualification, reservation or adverse remarks.

REGISTRAR AND SHARE TRANSFER AGENT

During the year the Board of Directors at its meeting held on 9th October, 2021 has approved to appoint new Registrar and Share Transfer Agent of the Company in place of RCMC Share Registry Pvt. Ltd. to Kfin Technologies Ltd (earlier Kfin Technologies Pvt. Ltd).

AMENDMENT TO THE ARTICLES OF ASSOCIATION OF THE COMPANY.

At the Thirty Ninth Annual General Meeting held on 30th September, 2021, based on the approval of the Members, the Company adopted new Articles of Association, in order to align it with the requirements of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the requirements of the stock exchanges where the equity shares of the Company are proposed to be listed.

AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

At the Thirty Ninth Annual General Meeting held on 30th September, 2021, based on the approval of the Members, the Object clause of the Memorandum of Association of the Company has been altered, to the extent that the Incidental or Ancillary Objects has been altered and 'Other Objects' has been deleted, to comply with new Companies Act, 2013.

ANNUAL RETURN

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

TRANSACTIONS WITH RELATED PARTIES

All related party contracts/arrangements/transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which are of a foreseen and repetitive nature.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website of the Company.

No material Related Party Transactions i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements were entered during the financial year of the Company. The disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards ('SS') issued by the Institute of Company Secretaries of India (SS1 and SS2), relating to Meetings of the Board and its Committees and General Meetings respectively, which have mandatory application during the year under review.

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

A. CONSERVATION OF ENERGY:

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

(i) The steps taken/impact on conservation of energy

- Variable Frequency Drive for cooling tower fan and other applications.
- Replacement of conventional lighting with LED lighting.

(ii) The steps taken by the Company for utilizing Alternate Sources of Energy:

The diesel generators with capacity of 2900 KVA has been replaced with Gas based generators. It is cleanest fossil fuel and has a minimal inverse impact on the environment.

(iii) The capital investment on energy conservation equipments: Nil

B. TECHNOLOGY ABSORPTION:

Self reliance in new products, product development, improved production process for better productivity, import substitution and cost reduction attempts are made for sourcing of material and components for cost effectiveness. The input cost has been reduced and in some cases the quality has improved. Imported Technology (imported during the last 3 years) – NIL

EXPENDITURE ON RESEARCH AND DEVELOPMENT

During the financial year, expenditure on research and development including capital expenditure was Rs. 61.02 Million as against Rs. 60.46 Million in the previous year.

C. FOREIGN EXCHANGE EARNING & OUTGO

During the financial year, the foreign exchange earned in terms of actual inflows was Rs. 331.85 Lacs as against Rs. 212.77 Lacs in the previous year and foreign exchange outgo in terms of actual outflows was Rs. 9,183.43 Lacs as against Rs. 6,453.07 lacs in the previous year.

ACKNOWLEDGEMENT

The Directors thank the Company’s customers, vendors, bankers and investors for their continuous support. The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Directors regret the loss of lives due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked his life and safety to fight this pandemic.

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

On behalf of the Board of Directors

Sd/-

Place: New Delhi
Date: 30th June, 2022

(Mangilall Sethia)
Chairman
DIN:00081367

(Annexure-I)

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

FOR FINANCIAL YEAR 2021-22

1. Brief outline on CSR Policy of the Company:

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

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Kamal Sethia	Chairman	2	2
2.	Shri Sanjeev Sethia	Member	2	2
3.	Shri Kamal Singh Baid	Member	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. Weblink are as under:
   - Composition of CSR committee: https://www.elinindia.com/pdf/investors/management/Composition-of-various-Committees-of-Board-of-Directors.pdf
   - CSR Policy: https://www.elinindia.com/pdf/investors/csr/CSR-Policy.pdf
   - CSR projects approved by the board: https://www.elinindia.com/pdf/investors/csr/CSR_Projects_ELIN_Electronics_Ltd.pdf

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

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

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

6. Average net profit of the company as per section 135(5): **Rs 2198.62 lakhs**

7. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 43.97 lakhs**

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

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

   (d) Total CSR obligation for the financial year (7a+7b- 7c): **Rs. 43.97 lakhs**

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/ No)**	**Location of the project.**		**Project duration**	**Amount allocated for the project (in Rs.).**	**Amount spent in the current financial Year (in Rs.).**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).**	**Mode of Implementation - Direct (Yes/ No).**	**Mode of Implementation - Through Implementing Agency**	
				State.	**District.**						**Name**	**CSR Registration number.**
	--------Not Applicable ------											

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in Rs.).**	**Mode of implementation - Direct (Yes/No)**	**Mode of implementation - Through implementing agency.**	
				State.	**District.**			**Name.**	**CSR registration number**
1.(a)	Oswal Homeopathy Oshdalaya	Eradicating hunger, poverty and malnutrition, promoting health care (including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation) and making available safe drinking water.	No	Rajasthan	Sujangarh, District-Churu	12.48 Lacs	No	Shri Oswal Yuwak Sammelan, Rajasthan	CSR00017615
(b)	Contribution to Govt. (Himachal Pradesh), Shimla.		Yes	Himachal Pradesh	Shimla		Yes	NA	
(c)	Contribution for Free Health Checkup Camp		No	Delhi	New Delhi		No	Terapanth Professional Forum, Delhi	CSR00006105
(d)	Sujanmal Bagariya Govt Hospital, Sujangarh		No	Rajasthan	Sujangarh, District-Churu		Yes	NA	
2(a)	Matruchhaya's Sahayta Home care Nursing School, Kalapur , Goa	Promoting education, including special education and employment enhancing vocation skills especially	Yes	Goa	Panji	31.63	No	Rotary Club Of Panji Midtown Charitable Trust	CSR00014044
(b)	Prethmik Vidhyalay, Sihani-2, Nagar Kshetra Ghaziabad		Yes	U.P.	Ghaziabad		Yes	NA	
(c)	Prethmik Vidhyalay		Yes	U.P.	Ghaziabad		Yes	NA	

	Janakpuri, Nagar Kshetra Ghaziabad	among children,							
(d)	Government Girls Secondary School No. 6, Valmiki Basti , Sujangarh (Churu)	women, elderly and the differently abled and livelihood enhancement projects.	No	Rajasthan	Sujangarh , District-Churu		Yes	NA	
	TOTAL					**44.11 lacs**			

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

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 44.11 lacs**

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	**43.97 lacs**
(ii)	Total amount spent for the Financial Year	**44.11 lacs**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**0.14 lac**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**No excess carried to next year**

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

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

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

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

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

(asset-wise details). – Not Applicable

(a) Date of creation or acquisition of the capital asset(s).
(b) Amount of CSR spent for creation or acquisition of capital asset.
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

Sd/-

(KAMAL SETHIA
(Managing Director & Chairman CSR Committee)

Sd/-

SANJEEV SETHIA
(Whole-Time Director)

AKSHAT GARG & ASSOCIATES
Secretarial, Legal & Corporate Advisory Services
Office No. 371, 3rd Floor, Rishabh Cloud9 Towers, Sector 1, Vaishali, Ghaziabad, U.P. - 201010
Email ID: acs@acsadvisors.in; Phone: 0120-4573083; +91-9350546594
MSME Registration No.: UP29D0018479

FORM No. MR-3
SECRETARIAL AUDIT REPORT
for the Financial Year ended 31.03.2022
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Elin Electronics Limited
143 Cotton Street, Kolkata - 700007

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Elin Electronics Limited** (CIN U29304WB1982PLC034725) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31st, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

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

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

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

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

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(b) The Securities and Exchange Board of India (Depositories and participants) Regulations, 2018;
(c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the Audit Period)**
(d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/ 2015; **(Not applicable to the Company during the Audit Period)**
(e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period);**
(g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
(h) (The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and
(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period);**

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

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchange. (**Company shares are not listed, hence not applicable**)

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were following changes in the composition of the Board of Directors of the company during the year 2021-22:

1. Change in designation of Mr. Mangilall Sethia from 'Chairman and Managing Director' to 'Chairman' in the board meeting held on 06 September 2021.

2. Change in designation of Mr. Kamal Sethia from 'Whole time director' to 'Managing Director' in the board meeting held on 06 September 2021.
3. Resignation of Mr. Vinay Kumar Sethia, Whole time director from directorship w.e.f. 06 September 2021.
4. Resignation of Mr. Kishore Sethia, Whole time director from directorship w.e.f. 06 September 2021.
5. Appointment of Dr. S.L Sarnot as an Additional Independent Director of the Company in the board meeting held on 30 September 2021 for a term of five years
6. Appointment of Mr. Ashis Chandra Guha as an Additional Independent Director of the Company in the board meeting held on 30 September 2021 w.e.f. 08 October 2021 for a term of five years.

The changes in the composition of board of directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

1. Sub-division of 70,95,700 Equity shares: Each fully paid up equity share of the nominal value of ₹ 10 each in the capital of the Company was sub-divided into two equity shares of ₹ 5 each fully paid up.
2. Increase in authorized share capital of the company from ₹ 10,25,00,000 (Rupees Ten Crores Twenty Five Lacs) divided into 1,02,50,000 (One Crore Two Lakhs Fifty Thousand) Equity Shares of ₹ 10 each to ₹ 50,00,00,000 (Rupees Fifty Crores) divided into 10,00,00,000 (Ten Crores) Equity Shares of ₹ 5 each.
3. Alteration in Memorandum of Association as per Companies Act, 2013
4. Adoption of Revised Articles of Association, in order to align it with the requirements of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the requirements of the stock exchanges where the equity shares of the Company are proposed to be listed.
5. The Company made a bonus issue by way of allotment of 2,83,82,800 equity shares of face value of Rs.5/- each in ratio of 2:1 (i.e. two equity shares for every one equity share already held) to the Members .

6. Shareholders' approval was taken in the annual general meeting of the company held on 30 September 2021 for the Proposed Initial Public Offering (IPO) of the company. The Draft Red Herring Prospectus (DRHP) was filed by the company with SEBI on November 17, 2021 for an aggregating up to ₹ 7,600 million consisting of a Fresh issue of up to ₹1,750 million and an Offer for Sale up to ₹5,850 million, by the Selling Shareholders and in-principal approval received from BSE Ltd and National Stock Exchange of India Ltd on December 14, 2021 and December 28, 2021 respectively.
   (a) Re-constitution of promoters of the Company by the Board of Directors in their meeting held on September 6, 2021.
   (b) Constitution of IPO Committee of the board of directors of the company for the purpose of proposed Initial Public Offering of the company.
   (c) Re-constitution of Audit Committee in order to be compliant with the SEBI listing regulations.
   (d) Constitution of Stakeholders' Relationship Committee in order to be compliant with the SEBI listing regulations.
   (e) Re-constitution of Nomination and Remuneration Committee in order to be compliant with the SEBI listing regulations.
   (f) Constitution of Risk Management Committee in order to be compliant with the SEBI listing regulations.
   (g) Change of RTA of the Company from RCMC Share Registry Pvt. Ltd to Kfin Technologies Ltd (earlier Kfin Technologies Pvt. Ltd).

For Akshat Garg & Associates
(Company Secretaries)

AKSHAT GARG
Digitally signed by AKSHAT GARG
Date: 2022.06.29 16:57:16 +05'30'

Date: 29.06.2022
Place: Ghaziabad

(CS Akshat Garg)
Prop.
C. P. No. 10655
M. No. F9161
UDIN: F009161D000541044

OSWAL SUNIL & COMPANY
CHARTERED ACCOUNTANTS
71, DARYAGANJ, NEW DELHI-110 002
Tel. : 2325-1582, 2326-2902, 4306-0999
E-mail : oswalsunil.co@gmail.com
Website : www.oswalsunil.com

INDEPENDENT AUDITORS' REPORT

To the Members of M/s Elin Electronics Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **M/s Elin Electronics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, 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 including Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), of the state of affairs of the Company as at 31st March, 2022, its profit (including other comprehensive income), changes in equity and 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 specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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.

Emphasis of Matter

We draw attention to Note 35 of the financial statements which describes management's assessment of the impact of the outbreak of COVID-19 pandemic on its business operations and financial results. The said assessment made by the management is highly dependent upon the circumstances as they evolve in subsequent period.

Our opinion is not modified in respect of this matter.

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New Delhi
Chartered Accountants

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Standalone Financial Statements and our auditor's report thereon. The other information comprising the above documents is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information comprising the above documents, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and 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, changes in equity and cash flows 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are 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.

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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 financial controls 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 system 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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.

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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 Companies Act, 2013, we give in the *"Annexure-A"* a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

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

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Statement of Cash flows and the Standalone 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 Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under

   e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in *"Annexure B"*.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at March 31, 2022 on its financial position in its Standalone Financial Statements - Refer Note 39(a) to the Standalone Financial Statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any derivative contracts.

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Chartered Accountants

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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

(c) Based on the audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 53 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For **Oswal Sunil & Company**
Chartered Accountants
Firm Reg. No. 016520N

Oswal Sunil & Company
FRN: 016520N
New Delhi
Chartered Accountants

CA Nishant Bhansali
Partner
M. No.: 532900
UDIN: 22532900ALPVXW4140

Place: New Delhi
Dated: May 30, 2022

'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the Members of **M/s Elin Electronics Limited** on the Standalone Financial Statements for the year ended 31st March, 2022, we report that:

i. (a)

A. The Company has maintained proper records showing full particulars including quantitative details and situations of its Property Plant and Equipment.

B. The Company has maintained proper records showing full particulars of its Intangible Assets.

(b) Property, Plant and equipment of the company are physically verified according to a phased program of coverage which, in our opinion, is reasonable. Pursuant to the program, physical verification of the Property, Plant and equipment was carried out during the year by the management and no material discrepancies were noticed on such physical 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) disclosed in the financial statements included under Property, Plant and Equipment 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. Hence reporting under clause 3 (i) (d) of the Order is not applicable.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended 2016) and rules made thereunder. Hence reporting under clause 3 (i) (e) is not applicable.

ii. (a) The Inventories, except for stocks lying with certain third parties from whom confirmations have been obtained for stocks held as at the year end, have been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. In our opinion, the discrepancies noticed on physical verification were less than 10% in aggregate for each class of inventory and the same have been properly dealt with in the books of accounts.

(b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. As per the information and explanation given to us and records examined by us, the quarterly returns or statements filed by the company with banks are not having material difference with the unaudited books of accounts of the company of respective quarters and such differences are of explainable items and nature. (Refer note 51(ix) to the standalone financial statements)

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.

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(b) During the year, the Company has not made investment, provided guarantees, provided security and 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)(b) of the Order is not applicable to the Company.

(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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not given loans and advances in the nature of loans and hence, no comments are applicable in respect of amount overdue for the more than ninety days.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, to promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any investments, given any loans, guarantees, or security which attracts compliance of section 185 and section 186 of Companies act. Accordingly, Clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under apply, or an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

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, 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. In respect of statutory dues:

(a) According to the information and explanations given to us and records examined by us, the Company is generally regular in depositing, with the appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and other material statutory dues wherever applicable. According to information and explanation given to us, and as per the records examined by us, no undisputed arrears of statutory dues outstanding as at 31st March, 2022 from the date they became payable.

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Chartered Accountants

(b) According to the information and explanations given to us and as certified by the management, details of statutory dues referred to in sub-clause (a) above, which have not been deposited on account of disputes as on March 31, 2022 and the forum where the dispute is pending are given below :

Name of the statute	Nature of dues	Gross Demand (in Millions)	Paid under Appeal (in Millions)	Period to which the amount relates	Forum where dispute is pending
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	4.66	1.17	Oct 1995 to Sep 2011	High Court, Mumbai
Goa Value Added Tax, 2005	Value Added Tax	0.75	0.02	2017-18	Commercial Tax Office, Goa
Customs Act, 1962	Custom Duty	1.26	-	2019	Add. Commissioner, Raigard, Maharashtra
	Total	**6.67**	**1.19**		

viii. According to the information and explanation given to us and based on our examination, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

ix. (a) According to our audit procedures and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender as at the Balance Sheet date.

(b) According to the information and explanations given to us and the records of the Company examined by us including representation received from the management, the Company has not been declared as willful defaulter by any bank or financial institution or any other lender.

(c) The term loans have been applied for the purpose for which these are raised.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

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

x. (a) According to the information and explanation given to us and based on our examination, no money was raised by way of initial public offer or further public offer (including debt instruments) during the year by the Company.

(b) Based on our examinations of the records and information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

OSWAL SUNIL & COMPANY * Chartered Accountants * FRN: 016520N New Delhi

xi. (a) To the best of our knowledge and belief and according to the information and explanations given to us including representation received from the management, no fraud by the company or on the company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) According to the information and explanations given to us including representation received from the management and based on our examination, there were no whistle-blower complaints received during the year by the Company;

xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Therefore, the provisions of paragraph 3 (xii) of the Order are not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Hence, reporting under clause 3(xv) is not applicable.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities requiring it to have a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. According to the information and explanations given to us, the Group has no CIC as part of the Group.

xvii. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year, hence reporting under clause 3(xviii) is not applicable.

OSWAL SUNIL & COMPANY
CA
FRN: 016520N
New Delhi
Chartered Accountants

xix. On the basis of the financial ratios, 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 the 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) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) is not applicable for the year.

(b) In respect of ongoing projects, there are no unspent amounts that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Oswal Sunil & Company**
Chartered Accountants
Firm Reg. No. 016520N

SUNIL & COMPANY
FRN: 016520N
New Delhi
Chartered Accountants

CA Nishant Bhansali
Partner
M. No.: 532900
UDIN: 22532900ALPVXW4140

Place: New Delhi
Dated: May 30, 2022

'ANNEXURE B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

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 over financial reporting of **M/s Elin Electronics Limited** ('the Company') as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company 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 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

OSWAL SUNIL & COMPANY
CA
FRN: 016520N
New Delhi
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, 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 the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

For **Oswal Sunil & Company**
Chartered Accountants
Firm Reg. No. 016520N

OSWAL SUNIL & COMPANY CA FRN: 016520N New Delhi Chartered Accountants

CA Nishant Bhansali
Partner
M. No.: 532900
UDIN: 22532900ALPVXW4140

Place: New Delhi
Dated: May 30, 2022

ELIN ELECTRONICS LIMITED
Standalone Balance Sheet as at March 31, 2022
(All amounts are in INR Millions, unless otherwise stated)

Particulars	Note No(s)	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Assets				
Non-current Assets				
(a) Property, Plant and Equipment	3	1,602.50	1,354.35	1,296.64
(b) Capital work-in-progress	4	0.18	0.56	0.28
(c) Right-of-use-assets	36	0.75	0.76	0.78
(d) Intangible assets (other than Goodwill)	5	4.15	6.73	0.94
(e) Investment in subsidiary	6	20.00	20.00	20.00
(f) Financial Assets				
(i) Investments	7	-	-	-
(ii) Other Financial Assets	8	18.08	23.90	16.79
(g) Other non-current assets	10	173.12	172.29	133.10
Total Non Current Assets		**1,818.79**	**1,578.60**	**1,468.53**
Current Assets				
(a) Inventories	11	1,043.36	940.46	664.27
(b) Financial Assets				
(i) Investments	12	7.14	17.18	143.77
(ii) Trade receivables	13	1,217.41	1,518.45	754.93
(iii) Cash and cash equivalents	14	39.40	19.49	25.11
(iv) Bank balances other than (iii) above	15	9.21	6.88	12.42
(v) Other Financial Assets	16	8.28	8.72	8.79
(c) Current Tax Assets (net)	17	7.79	6.26	6.42
(d) Other current assets	18	124.86	42.06	55.36
Total Current Assets		**2,457.45**	**2,559.50**	**1,671.08**
Total Assets		**4,276.24**	**4,138.10**	**3,139.61**
Equity and Liabilities				
Equity				
(a) Equity Share Capital	19	212.87	70.96	70.96
(b) Other Equity	19	2,164.54	1,972.16	1,698.06
Total Equity		**2,377.41**	**2,043.12**	**1,769.01**
Liabilities				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	330.84	369.40	389.45
(ii) Lease liabilities	36	1.91	1.93	1.95
(b) Provisions	21	7.73	7.34	4.50
(c) Deferred tax liabilities (Net)	9	77.58	63.56	51.53
Total Non Current Liabilities		**418.05**	**442.23**	**447.43**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	22	522.17	645.29	259.34
(ii) Lease Liabilities	36	0.05	0.05	0.05
(iii) Trade payables				
- total outstanding dues of micro and small enterprises	23	147.79	156.74	85.11
- total outstanding dues to other than micro and small enterprises	23	665.12	698.77	465.85
(iv) Other financial liabilities	24	79.72	80.26	74.29
(b) Current Tax liabilities (Net)	17	18.35	30.57	-
(c) Other current liabilities	25	40.66	35.07	32.17
(d) Provisions	26	6.91	6.01	6.35
Total Current Liabilities		**1,480.78**	**1,652.75**	**923.17**
Total Liabilities		**1,898.83**	**2,094.98**	**1,370.60**
Total Equity and Liabilities		**4,276.24**	**4,138.10**	**3,139.61**

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

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

OSWAL SUNIL & COMPANY Chartered Accountants FRN: 016520N New Delhi

Nishant Bhansali
Partner
M.No.: 532900

New Delhi, May 30, 2022

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Raj Karan Chhajer
Chief Financial Officer

Avinash Karwa
Company Secretary
M.No.: A20424

ELIN ELECTRONICS LIMITED New Delhi

New Delhi, May 30, 2022

ELIN ELECTRONICS LIMITED
Standalone Statement of Profit & Loss for the year ended March 31, 2022
(All amounts are in INR Millions, unless otherwise stated)

	Particulars	Note No(s)	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
	Revenue from operations	27	8,916.06	7,120.11
	Other Income	28	4.51	16.91
	Total Income (I)		**8,920.57**	**7,137.02**
II	**EXPENSE**			
	Cost of Material Consumed	29	6,322.29	5,016.71
	Purchases of stock-in trade		279.24	119.94
	Change in inventories of finished goods, work-in progress and stock-in trade	30	(69.63)	(32.77)
	Employee benefits expense	31	1,040.45	896.37
	Finance Costs	32	121.68	85.51
	Depreciation, Impairment & amortization expenses	3, 5, 36	127.55	103.59
	Other Expenses	33	668.42	566.25
	Total Expenses (II)		**8,490.00**	**6,755.61**
III	**Profit before tax (I - II)**		**430.56**	**381.41**
IV	**Tax expenses**			
	- Current tax		103.58	88.70
	- Deferred Tax		8.65	13.69
			112.23	**102.39**
V	**Profit for the year (III-IV)**		**318.34**	**279.02**
VI	**Other comprehensive Income (OCI):**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of defined benefit plans		21.32	(6.57)
	(ii) Income tax on above item		(5.37)	1.65
	(iii) Gain/(Loss) on Equity Instruments designated through OCI		-	-
	Total Other comprehensive income/(loss) for the year		**15.96**	**(4.91)**
VII	**Total comprehensive income for the year (V + VI)**		**334.29**	**274.11**
VIII	**Earnings per share from continuing and total operations attributable to the equity holders of the Company [face value of INR 5/- each]**	34		
	- Basic and diluted (amount in INR)		**7.48**	**6.55**

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

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

SUNIL & COMPANY
FRN: 016520N
New Delhi
Chartered Accountants

Nishant Bhansali
Nishant Bhansali
Partner
M.No.: 532900

New Delhi, May 30, 2022

For and on behalf of the Board

Kamal Sethia
Kamal Sethia
Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Raj Karan Chhajer
Chief Financial Officer

Avinash Karwa
Avinash Karwa
Company Secretary
M.No.: A20424

ELIN ELECTRONICS LIMITED
New Delhi

New Delhi, May 30, 2022

ELIN ELECTRONICS LIMITED
Standalone Statement of Cash Flows for the year ended March 31, 2022
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Cash flow from Operating Activities :		
Net Profit before taxes	**430.56**	**381.41**
Adjustments for :		
Depreciation, Impairment and Amortization expenses	127.55	103.59
(Gain)/Loss on disposal of property, plant and equipment	(0.86)	2.17
Fair value (gain)/loss on investments	(1.84)	(12.06)
Impairment loss, Bad Debts, advances and miscellaneous balances written off	(0.15)	(0.76)
Dividend and interest income classified as investing cash flows	(1.45)	(2.89)
Finance costs (net)	121.68	85.51
	244.93	**175.56**
Change in operating assets and liabilities :		
(Increase)/ Decrease in Trade and other receivables	301.19	(764.36)
(Increase)/ Decrease in Inventories	(102.90)	(276.19)
Increase/ (Decrease) in Trade payables	(42.60)	306.14
(Increase)/ Decrease in other financial assets	3.92	(1.90)
(Increase)/ Decrease in other non-current assets	(0.83)	(39.19)
(Increase)/ Decrease in other current assets	(24.63)	13.30
Increase/ (Decrease) in provisions	22.62	(4.07)
Increase/ (Decrease) in other current liabilities	5.05	8.87
	161.82	**(757.40)**
Cash generated from operations	**837.31**	**(200.44)**
Income taxes paid/refund (net)	(117.33)	(57.97)
Net cash inflow from /(used in) operating activities	**719.98**	**(258.41)**
II Cash flow from Investing activities		
(Payments) for property, plant and equipment including CWIP	(384.89)	(177.98)
(Payments) for Intangible Assets	-	(7.55)
Proceeds from grant on property, plant and equipment	11.32	-
Proceeds from sale of property, plant and equipment	1.71	16.00
Proceeds/(Payments) from sale of Investment (net)	11.88	138.65
Dividends received	0.24	1.04
Interest received	1.21	2.27
Net Cash flow from / (used in) investing activities	**(358.53)**	**(27.57)**
III Cash flow from Financing Activities		
Proceeds from borrowings	36.10	530.32
(Repayment) of borrowings	(197.78)	(164.42)
Share issue expenses / Expenses towards offer for sale of shares	(58.17)	-
(Repayment) of lease liabilities	(0.17)	(0.17)
	(220.02)	365.72
Less: Finance Costs paid	(121.53)	(85.37)
Net Cash flow from/ (used in) financing activities	**(341.55)**	**280.36**
IV Net increase/(decrease) in cash & cash equivalents (I + II + III)	**19.90**	**(5.62)**
V Cash and cash equivalents at the beginning of the financial year	19.49	25.11
VI Cash and cash equivalents at end of the year	**39.40**	**19.49**

Notes:

1 The Standalone Statement of Cash flow has been prepared under the indirect method as set-out in the Ind AS - 7 "Statement of Cash Flow" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

2 Figures in bracket indicate cash outflow.

3 Cash and cash equivalents (refer Note 14) comprise of the followings:

Cash on hand	1.67	0.93
Balances with Scheduled banks in Current accounts	37.73	18.56
Balances per statement of cash flows	**39.40**	**19.49**

4 **Analysis of movement in borrowings**

Borrowings at the beginning of the year	1,014.69	648.79
Movement due to cash transactions as per the Statement of Cash Flows	(161.68)	365.90
Borrowings at the end of the year	**853.01**	**1,014.69**

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

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

Oswal Sunil & Company Chartered Accountants FRN: 016520N New Delhi

Nishant Bhansali
Partner
M.No.: 532900

New Delhi, May 30, 2022

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Raj Karan Chhajer
Chief Financial Officer

Avinash Karwa
Company Secretary
M.No.: A20424

Elin Electronics Limited New Delhi

ELIN ELECTRONICS LIMITED
Standalone Statement of Changes in Equity
(All amounts are in INR Millions, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
Balance as at April 1, 2020	**70.96**
Changes in equity share capital	-
Balance as at March 31, 2021	**70.96**
Split of Shares into Face Value of Rs. 5 each (Refer Note 19)	-
Bonus shares issued of Rs. 5 each during the year (Refer Note 19)	141.91
Balance as at March 31, 2022	**212.87**

B. Other equity

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium	General Reserve	Retained Earnings	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans	
Balance as at April 01, 2020	**59.55**	**518.21**	**1,100.68**	**(0.10)**	**19.71**	**1,698.06**
Total Comprehensive Income for the year	-	-	279.02	-	(4.91)	274.11
Transfer to retained earnings	-	50.00	(50.00)	-	-	-
Balance as at March 31, 2021	**59.55**	**568.21**	**1,329.70**	**(0.10)**	**14.79**	**1,972.16**
Total Comprehensive Income for the year	-	-	318.34	-	15.96	334.29
Transfer to retained earnings	-	50.00	(50.00)	-	-	-
Utilized for issue of bonus shares	-	(141.91)	-	-	-	(141.91)
Balance as at March 31, 2022	**59.55**	**476.30**	**1,598.04**	**(0.10)**	**30.75**	**2,164.54**

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

Nishant Bhansali
Partner
M.No.: 532900

New Delhi, May 30, 2022

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Raj Karan Chhajer
Chief Financial Officer

Avinash Karwa
Company Secretary
M.No.: A20424

New Delhi, May 30, 2022

1. Corporate information

Elin Electronics Limited ("the company") was incorporated in India on March 26, 1982 under the provisions of the Companies Act, 2013 (CIN U29304WB1982PLC034725). The Company is engaged in the business of Electronics Manufacturing Services. The registered office of the company is located at 143, Cotton Street, Kolkata, West Bengal-700007 and manufacturing plants in the state of Uttar Pradesh, Himachal Pradesh and Goa.

The Standalone Financial Statements is approved for issue by the Company's Board of Directors in their meeting held on May 30, 2022.

Application of new and revised Ind -AS

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 to the extent applicable have been considered in preparing these standalone financial statements.

Recent accounting pronouncements:-

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules 2022, applicable from April 01, 2022 are Ind AS 103 – Reference to Conceptual Framework, Ind AS 16 – Proceeds from intended use, Ind AS 37 – Oraneous Contracts – Cost of fulfilling a Contract, Ind AS 109 – Annual Improvements to Ind AS (2021). The Company does not expect the amendment to have any significant impact in its standalone financial statement.

2. Significant accounting policies

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

2.1 Basis of Preparation

2.1.1 Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013 ("the Act") and the accounting principles generally accepted in India. The Company has consistently applied accounting policies to all periods. On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013 and the amendments are applicable for financial periods commencing from April 1, 2021. The Company has evaluated the effect of the amendments on its financial statements and complied with the same.

Accordingly, the Company has prepared these Standalone financial statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 and the Statement of Changes in Equity for the year ended as on that date, and Accounting Policies and other explanatory information (together hereinafter referred to as 'standalone financial statements').

OSWAL SUNIL & COMPANY
FRN: [illegible]20N
New Delhi
Chartered Accountants

ELIN ELECTRONICS LIMITED
New Delhi

(Amount in INR million, unless otherwise stated)

The Standalone financial statements up to and for the year ended 31 March 2021 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended), as notified under section 133 of the Act ("Previous GAAP") and other relevant provisions of the Act. The Company has migrated to Ind AS in the current year as it is in process of listing of its equity shares on stock exchanges. The Standalone financial statements for the year ended 31 March 2022 are the first standalone financial statements of the Company re-stated under Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance & cash flows is included in Note 48.

2.1.2 Historical Cost Convention

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

Items	**Measurement basis**
Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities (including derivative)	Fair value
Defined benefits liability	Present value of defined benefits obligations

Functional and presentation currency

Items included in the Standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Standalone Financial Statements are presented in Indian rupee (INR), which is also the company's functional currency. All amounts have been rounded-off to the nearest million, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than INR 1,00,000 have been rounded and are presented as INR 0.00 Millions in the Standalone Financial Statements.

2.2 Current vs non-current classification

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

An asset is treated as current when it is:

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

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

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(Amount in INR million, unless otherwise stated)

2.3 Property plant and equipment

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

Cost of asset includes:

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

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

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

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

Transition to Ind AS
On transition to Ind AS, the Company has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 1 April 2020, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

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

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

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

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

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

2.4 Intangible assets

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

2.5 Impairment of non-financial assets

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

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

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

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2.6 Inventories

a) Inventories (which comprise traded goods) are valued at the lower of cost and net realizable value.Cost includes cost of purchase and other costs incurred in bringing the inventories to their presentlocation and condition. Cost is determined on First in First out (FIFO) basis.

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

2.7 Revenue recognition

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

a) Sale of products and Services

Revenue from sale of products is recognized at the point in time when control of the goods istransferred to the customer at the time of shipment to or receipt of goods by the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company has concluded that it is the principal in its revenue arrangements as it typically controlsthe goods or services before transferring them to the customer.

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

b) Other Revenue

- **Interest income:** Interest income is recognised as interest accrues using the effective interest method ("EIR") that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.
- **Dividends:** Dividend income is recognised when the right to receive payment is established.
- **Rental income:** Rental income arising from operating leases or on investment properties is accounted for on a straight-line basis over the lease terms & included in other non-operating income in Statement of Profit and Loss.
- **Insurance Claims:** Insurance claims are accounted for as and when admitted by the concerned authority.

c) Contract balances

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

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d) Right of return

The Company provides a customer with a right to return in case of any defects or on grounds of quality. The Company uses the expected value method to estimate the goods that will not be returned because thismethod best predicts the amount of variable consideration to which the Company will be entitled. Therequirements in Ind AS 115 on constraining estimates of variable consideration are also applied inorder to determine the amount of variable consideration that can be included in the transaction price.

The Company has adopted Ind AS 115 from April 01, 2020 using the modified retrospective approach by applying Ind AS 115 to all the contracts that are not completed on April 01, 2020. The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the Company.

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

2.8 Taxes

a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid tothe taxation authorities in accordance with relevant tax regulations. Current tax is determined as the tax payable in respect of taxable income for the period and is computed in accordance with relevant tax regulations. Current tax is recognized in standalone statement of profit and loss except to the extent it relates to items recognized outside profit or loss in which case it is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in relation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes current tax payable where appropriate.

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

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases ofassets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset currenttax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.9 Foreign currencies

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

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

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

2.10Employee benefit

a) Short-term employee benefits

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

b) Post-employment benefits

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

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

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

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

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

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

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

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

c) Other long-term employee benefits

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

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

2.11 Cash and cash equivalents

Cash and cash equivalent include cash on hand, cash at banks and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which aresubject to an insignificant risk of change in value.

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

2.12 Borrowing Cost

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

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

2.13 Provisions, contingent assets and contingent liabilities

a) Provisions

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

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

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b) Contingent liabilities

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

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

c) Contingent assets

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

2.14Leases

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

a) Company as a lessee

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

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred,and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated over the shorter of the lease term and theestimated useful lives of the assets.

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

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

ü) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine suchlease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in financial liabilities

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iii) Short term lease and leases of low value assets

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

iv) Single discount rate

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

The Company has given adjustments for lease accounting in accordance with Ind AS 116 from April 01, 2020, and all the related figures have been reclassified/ reclassified to give effect to the requirements of Ind AS 116. The application of Ind AS 116 has resulted into recognition of 'Right-of-Use' asset with a corresponding Lease Liability in the standalone statement of assets and liabilities.

The Company has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date when applying Ind AS 116 initially:

a. lease liability is recognized, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.
b. a right of use assets is recognized at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the standalone statement of assets and liabilities immediately before the date of initial application

b) Company as a lessor

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

2.15Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables issued are initially recognised whenthey are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

a) Financial assets

Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus s transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in the Standalone statement of Profit and Loss.

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Classification and subsequent measurement
On initial recognition, a financial asset is classified as measured at
- amortised cost;
- FVOCI — equity investment; or
- FVTPL

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that aresolely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI — equity investment). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income ('OCI').There is no recycling of the amounts from OCI to the Standalone statement of Profit andLoss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Standalone statement of Profit and Loss.
All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. For purposes of subsequent measurement, financial assets are classified in following categories:

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

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interestincome, are recognised in the Standalone statement of Profit and Loss.

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

Impairment of financial assets
Expected credit loss (ECL) is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e.,all cash shortfalls), discounted at the original EIR.

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

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

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

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

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

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

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

b) Financial liabilities

<u>*Initial recognition and measurement*</u>
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.

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

(i) Financial liabilities at fair value through profit or loss
The Company has not designated any financial liabilities at FVTPL.

(ii) Financial liabilities at amortized cost
After initial recognition, Loans, borrowings, trade payables and other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest expense is recognized in the standalone statement of profit and loss. Any gain or loss on derecognition is also recognized in the standalone statement of profit and loss.

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

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

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

2.16 Fair value measurement

The Company measures financial instruments at fair value at each reporting period.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderlytransaction 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.

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.

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

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to beremeasured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Above is the summary of accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.17GST Credit

The GST credit available on purchase of raw materials, other eligible inputs and capital goods is adjusted against taxes payable. The unadjusted GST credit is shown under the head "Other Current Assets".

2.18Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events ofbonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a laterdate. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

2.19Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the Company.

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The business of the Company falls within a single line of business i.e. electronics manufacturing services. All other activities of the Company revolve around its main business. Hence, no separate reportable primary segment.

2.20 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all stipulated conditions. Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income. Grants related to assets are reduced from the carrying amount of the asset. Such grants are recognized in the Standalone statement of Profit and Loss over the useful life of the related depreciable asset by way of reduced depreciation charge.

2.21 Standalone statement of cash flows

The standalone statements of cash flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

2.22 Significant accounting estimates and judgments

The estimates used in the preparation of the Standalone Financial Statements of each period/year presented are continuously evaluated by the Company and are based on historical experienceand various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Standalone Financial Statements in the period in which they become known.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts ofassets and liabilities within the next financial year, are described below. Actual results could differ from these estimates.

Significant judgements

- ***Allowances for uncollected trade receivables***

  Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems not becollectible.

- ***Contingencies***

  In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes Although there can be no assurance of the final outcome of legal proceedings in which the Company is involved. it is not expected that such contingencies will have material effect on its financial position of probability.

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- ***Impairment of other financial assets***
  The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation., based on the Company's past history, existing market conditions as wellas forward looking estimates at the end of each reporting period.

- ***Taxes***
  Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes current tax payable, based on reasonable estimates. The amount of such current tax payable is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the domicile of the Company.

- ***Recoverability of deferred taxes***
  In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.
  Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxableprofit will be available against which the losses can be utilized. Significant management judgementis required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- ***Impairment of non-financial assets***
  Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair valueless costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ('DCF') model.

<u>*Significant estimates*</u>

- ***Defined benefit plans***
  The costs of post-retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- ***Useful lives of property, plant and equipment and intangible assets***
  The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. At the end of the current reporting period, the management determined that the useful lives of property, plant and equipment and intangible assets at which they are currently being depreciated represent the correct estimate of the lives and need no change.

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- ***Leases - Estimating the incremental borrowing rate***
  The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

- ***Determining the lease term of contracts with renewal and termination options — Company as lessee***
  The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

  The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction ofsignificant leasehold improvements or significant customization to the leased asset).

- ***Fair value measurement of financial instruments***
  When the fair values of financial assets and financial liabilities recorded in the standalone statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree ofjudgement 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.

2.23 Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities, which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

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

3 Property, Plant and Equipment

Particulars	Plant and Machinery	Building	Dies, Moulds & Tools	Electrical Installations	Furniture and Fixtures	Office Equipment's	Computers	Vehicles	Land (Leasehold)	Total
Gross Carrying Value										
Balance as at April 1, 2020 (Deemed Cost)	**1,229.05**	**518.99**	**145.46**	**135.37**	**39.28**	**7.06**	**24.55**	**49.84**	**104.64**	**2,254.23**
Additions	121.25	2.94	25.02	4.48	4.91	2.82	3.72	4.93	-	170.07
Disposals / Adjustments	50.46	-	2.74	0.37	0.06	0.19	0.45	3.40	-	57.67
Balance as at March 31, 2021	**1,299.84**	**521.92**	**167.74**	**139.48**	**44.13**	**9.68**	**27.83**	**51.36**	**104.64**	**2,366.63**
Additions	139.02	145.13	74.20	13.83	1.01	0.80	5.06	6.22	-	385.28
Disposals / Adjustments	6.29	6.14	0.92	3.28	0.21	-	0.16	2.18	-	19.18
Balance as at March 31, 2022	**1,432.58**	**660.91**	**241.01**	**150.04**	**44.92**	**10.48**	**32.73**	**55.41**	**104.64**	**2,732.72**
Accumulated depreciation and impairment										
Balance as at April 1, 2020 (Deemed Cost)	**538.10**	**183.42**	**64.12**	**79.55**	**24.56**	**4.55**	**19.08**	**30.28**	**13.93**	**957.59**
Depreciation & Impairment	62.81	12.33	7.96	7.17	2.05	0.82	2.91	3.62	2.14	101.82
Disposals / Adjustments	42.65	-	0.19	0.37	0.06	0.19	0.43	3.23	-	47.13
Balance as at March 31, 2021	**558.26**	**195.75**	**71.88**	**86.34**	**26.56**	**5.17**	**21.56**	**30.67**	**16.07**	**1,012.27**
Depreciation & Impairment	78.09	12.73	13.83	7.48	2.22	1.16	3.26	4.05	2.14	124.96
Disposals / Adjustments	1.54	-	0.19	3.08	-	-	0.15	2.06	-	7.01
Balance as at March 31, 2022	**634.81**	**208.48**	**85.52**	**90.75**	**28.78**	**6.34**	**24.67**	**32.66**	**18.21**	**1,130.22**
Net Carrying Value										
Balance as at April 1, 2020 (Deemed Cost)	690.95	335.57	81.34	55.82	14.71	2.51	5.47	19.55	90.71	1,296.64
Balance as at March 31, 2021	741.58	326.17	95.85	53.14	17.57	4.51	6.26	20.70	88.57	1,354.35
Balance as at March 31, 2022	**797.77**	**452.43**	**155.49**	**59.29**	**16.15**	**4.15**	**8.06**	**22.75**	**86.43**	1,602.50

Notes:

1. The Company has elected Ind AS 101 exemption to continue with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition. Refer note 48 for a reconciliation of deemed cost as considered by the Company.

2. The Company had received approval to get Capital Subsidies for additional investments in manufacturing plant at Plot No.C-142, 143, 144, 144/1, 144/2, Site No.1, BullandShahar Road, Ghaziabad, Uttar Pradesh, 201009 under Modified Special Incentive Package Scheme (MSIPS) notified vide M-SIPS Policy Gazette Notification No. 175 dated 27-07-2012 and revised Notification dated 03-08-2015 as modified from time to time by the Ministry of Electronics and Information Technology, Department of Information Technology, vide Approval Letter No. 27(215)/2015-IPHW dt.22-11-2017. Also, the Company is in process of availing capital subsidy under Industrial Development Scheme 2017 of Department for Promotion of Industries & Internal Trade, Himachal Pradesh. Under the said schemes, the Company has submitted its claims before the respective authorities for sanctioning the claim. The effect of other claims has not been adjusted to the cost of respective assets, in the absence of reasonable assurance that the claim will be received in full, as submitted.

3. During the current year, the company has received first claim of Rs. 11.32 Million vide Approval Letter No. 27(29)/2013-IPHWA dated 03-07-2014 and Application Sanction No W-37/6/2O22-IPHW dated 17-03-2022 which has been adjusted with the carrying value of respective Property Plant and Equipment.

4. Refer Note 20 and 22 for details of assets pledged.

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4 Capital work-in-progress

Particulars	Buildings	Plant & Machinery	Total
Balance as at April 01, 2020	**0.28**	-	**0.28**
Additions	0.56	-	0.56
Disposals / Adjustments	(0.28)	-	(0.28)
Balance as at March 31, 2021	**0.56**	-	**0.56**
Additions	-	0.18	0.18
Disposals / Adjustments	(0.56)	-	(0.56)
Balance as at March 31, 2022	-	**0.18**	**0.18**

4.1 Capital work-in-progress ageing schedule

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Balance as at April 1, 2020	-	0.28	-	-	**0.28**
Balance as at March 31, 2021	0.56	-	-	-	**0.56**
Balance as at March 31, 2022	**0.18**	-	-	-	**0.18**

4.2 As on the date of the financial statement, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

5 Intangible Assets (other than goodwill)

Particulars	Computer software
Gross Carrying Value	
Balance as at April 1, 2020 (Deemed Cost)	**7.73**
Additions	7.55
Disposals / Adjustments	-
Balance as at March 31, 2021	**15.27**
Additions	-
Disposals / Adjustments	-
Balance as at March 31, 2022	**15.27**
Accumulated amortization and impairment	
Balance as at April 1, 2020 (Deemed Cost)	**6.78**
Depreciation for the year	1.76
Disposals / Adjustments	-
Balance as at March 31, 2021	**8.54**
Depreciation for the year	2.58
Disposals / Adjustments	-
Balance as at March 31, 2022	**11.12**
Net Carrying Value	
Balance as at April 1, 2020 (Deemed Cost)	0.94
Balance as at March 31, 2021	6.73
Balance as at March 31, 2022	**4.15**

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6 Investment in subsidiaries, associates

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unquoted Investments (At Cost)			
Investment in Equity Instruments			
Subsidiary	20.00	20.00	20.00
Total	**20.00**	**20.00**	**20.00**

A. Investment in subsidiaries

Particulars	Face value per share (Rs.)	Elin Appliances Pvt. Ltd.	
		No. of Shares	Amount
Investment in Equity Instruments - Equity Shares			
As at April 01, 2020	10/-	2,00,000	20.00
As at March 31, 2021	10/-	2,00,000	20.00
As at March 31, 2022	10/-	2,00,000	20.00

B. Additional Disclosures:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Aggregate carrying value of unquoted investments	20.00	20.00	20.00
Aggregate amount of impairment in value of investments	-	-	-

C. Additional details of subsidiaries

Name of Entity	Principal Activity	Place of incorporation
Subsidiaries		
Elin Appliances Private Limited	Manufacturing of Home Appliances and Electric Components & Parts	India

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7 Non-Current Financial Assets - Investments

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unquoted, Investments - Non-Trade			
Investments in Equity instruments	-	-	
Total	-	-	-

7.1 Detail of Non-Current Investments

Particulars	Elcina Electronics Cluster Pvt Ltd (Face Value Rs. 10/- each)		Total Amount
	No. of Shares	Amount	
Financial assets measured at FVTOCI			
(i) Investment in equity instruments - Equity Shares			
As at April 01, 2020	10,000	-	-
As at March 31, 2021	10,000	-	-
As at March 31, 2022	10,000	-	-

7.2. Additional Disclosures:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Aggregate carrying value of unquoted investments	-	-	-

8 Other Financial Assets - Non Current

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unsecured, Considered Good			
Bank deposits with more than 12 months maturity *	-	6.86	0.13
Security Deposit	18.08	17.03	16.65
Total	**18.08**	**23.90**	**16.79**

* Above bank deposits are held as margin money/securities with banks.

9 Deferred tax assets / (liabilities) (net)

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for the financial reporting purposes and the amounts used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:-

Particulars	Defined benefit obligation	Property, plant and equipment	Provisions & others	Total
As at 01 April, 2020	**2.73**	**(60.97)**	**6.71**	**(51.53)**
(Changed)/Credited:				
- to Statement of profit and loss	(1.02)	(12.67)	0.01	(13.69)
- to other comprehensive income	1.65	-	-	1.65
As at 31 March, 2021	**3.36**	**(73.64)**	**6.72**	**(63.56)**
(Changed)/Credited:				
- to Statement of profit and loss	3.75	(14.64)	2.24	(8.65)
- to other comprehensive income	(5.37)	-	-	(5.37)
As at 31 March, 2022	**1.74**	**(88.28)**	**8.96**	**(77.58)**

10 Other Non-Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unsecured, Considered Good			
Capital Advances	173.12	172.29	133.10
Total	**173.12**	**172.29**	**133.10**

11 Inventories (at cost or net realisable value whichever is lower)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Inventories (As Certified and valued by the management)			
Raw Materials	633.84	607.80	359.01
Raw Materials in transit	3.37	1.44	7.29
	637.21	**609.23**	**366.30**
Work-in-progress	260.11	254.30	169.64
Finished goods	120.58	56.76	108.66
Stores and Spares	25.46	20.16	19.66
Total	**1,043.36**	**940.46**	**664.27**

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

12 Current Financial Assets - Investments

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unquoted Investments			
(i) Investments in Mutual Funds	7.14	17.18	143.77
Total	**7.14**	**17.18**	**143.77**

12.1 Detail of Current Financial Assets - Investments

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1, 2020	
	Units	Amount	Units	Amount	Units	Amount
Financial assets carried at fair value through statement of profit or loss (FVTPL)						
Investments in mutual funds - Unquoted Investment						
HDFC Group Unit Linked Plan Option B	96,715.35	7.14	96,532.09	6.84	96,347.61	6.46
L & T Tax Advantage Fund - Regular Dividend	-	-	1,01,936.80	2.29	1,01,936.80	1.45
L & T Tax Advantage Fund - Growth	-	-	52,511.50	3.53	52,511.50	2.06
L & T Tax Advantage Fund - Dividend Payout	-	-	2,01,296.35	4.52	2,01,296.35	2.86
HDFC Arbitrage Fund - Monthly-Dividend	-	-	-	-	3,99,443.01	4.32
L & T Low Duration Fund- Growth	-	-	-	-	4,35,100.16	9.13
ICICI Prudential Floating Interest Fund - Growth	-	-	-	-	82,402.51	24.74
ICICI Prudential Bluechip Fund - Growth	-	-	-	-	1,14,479.52	3.64
ICICI Prudential Ultra Short Term Fund - Growth	-	-	-	-	5,35,642.58	10.91
Axis Banking & PSU DBT Fund	-	-	-	-	7,825.79	14.96
Axis Bluechip Fund	-	-	-	-	1,65,234.63	4.30
Nippon India Arbitrage Fund - Monthly Dividend	-	-	-	-	55,26,363.41	58.97
Total Current Investments at FVTPL		**7.14**		**17.18**		**143.77**
Aggregate carrying value of unquoted investments		7.14		17.18		143.77
Aggregate amount of impairment in value of investments		-		-		-

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13 Current Financial Assets - Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Trade Receivables			
Unsecured, considered good	1,218.98	1,520.17	755.81
Less: expected credit loss allowance	(1.56)	(1.72)	(0.88)
Total	**1,217.41**	**1,518.45**	**754.93**
Movement in the expected credit loss allowance of trade receivables are as follows:			
Balance at the Beginning of the year	**1.72**	**0.88**	**1.65**
Add: Provided during the year	(0.15)	0.84	0.95
Less: Amount written off	-	0.00	1.72
Balance at the end of the year	**1.56**	**1.72**	**0.88**

13.1 Trade Receivables Ageing Schedule, on due basis:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Undisputed Trade receivables – considered good			
Not Due	964.07	1,224.82	474.97
Less than 6 months	234.39	290.89	273.99
6 months - 1 year	16.59	2.17	5.01
1 -2 years	2.49	1.89	1.73
2 -3 years	1.45	0.36	0.09
More than 3 years	-	0.03	0.01
Total	**1,218.98**	**1,520.17**	**755.81**

13.2 There are no disputed balances of Trade Receivables as on March 31'2022, March 31'2021 and April 01'2020.

13.3 In determining the allowance for trade receivables the Company has used practical expedients based on financial condition of the customers, ageing of the customer receivables & over-dues, availability of collaterals and historical experience of collections from customers. The concentration of risk with respect to trade receivables is reasonably low as most of the customers are large corporate organisations though there may be normal delays in collections.

14 Current Financial Assets - Cash & cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Cash & Cash Equivalents			
Balance with banks;			
- in current account	37.73	18.56	22.95
Cheques, drafts on hand;	-	-	0.05
Cash on hand;	1.67	0.93	2.11
Total	**39.40**	**19.49**	**25.11**

15 Current Financial Assets - Other Bank Balances

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Bank Deposits having maturity less than 12 months *	9.21	6.88	12.42
Total	**9.21**	**6.88**	**12.42**

* Above Bank deposits are held as margin money/securities with banks.

16 Current Financial Assets - Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unsecured, considered good			
Accrued Interest on Bank Deposits	0.22	0.23	0.64
Loans & Advances to Staff & Workers	8.06	8.49	8.15
Total	**8.28**	**8.72**	**8.79**

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

17 Current Tax Assets / Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Current Tax Assets			
Advance Income Tax / TDS (net of provisions)	7.79	6.26	6.42
Current Tax Liabilities			
Income Tax Provisions (net of Advance Income Tax / TDS)	18.35	30.57	-

18 Other Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unsecured, considered good			
Indirect tax recoverable	10.09	5.58	15.75
Commercial Tax under Appeal	2.07	2.05	1.49
Goods & Service Tax Under Appeal	1.68	1.68	0.64
Provident Fund Under Appeal	1.17	1.17	1.17
Advance to Suppliers	28.75	30.13	27.13
Unamortised share issue expenses (refer note below)	58.17	-	-
Export Incentive receivables	1.36	0.31	0.88
Prepaid Expenses	21.57	1.14	8.31
Total	**124.86**	**42.06**	**55.36**

Note: The Company has incurred certain expenses towards proposed Initial Public Offering of its equity shares. The Company expects to recover certain amounts from the shareholders and the balance amount would be charged-off to securities premium account in accordance with section 52 of the Companies Act, 2013 upon the shares being issued.

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19 A. Share Capital

(i) Authorised Share Capital

Particulars	Equity Share Capital	
	No of Shares	Amount
As at April 1, 2020	**1,02,50,000**	**102.50**
Increase during the year	-	-
As at March 31, 2021	**1,02,50,000**	**102.50**
Increase during the year #	8,97,50,000	397.50
As at March 31, 2022	**10,00,00,000**	**500.00**

Pursuant to a resolution of Board of Directors dated September 6, 2021 and the shareholders meeting dated September 30, 2021, the Authorized Share Capital of the Company has been increased from Rs. 102.50 millions consisting of 1,02,50,000 Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 500.00 millions consisting of 10,00,00,000 Equity Shares of Rs. 5/- each (Rupees Five only).

(ii) Shares issued, subscribed and fully paid-up

Particular	Equity Share Capital	
	No of Shares	Amount
As at April 1, 2020	**70,95,700**	**70.96**
Add: Shares issued during the year	-	-
Add: Bonus shares issued during the year	-	-
Less: Share bought back during the year	-	-
As at March 31, 2021	**70,95,700**	**70.96**
Add: Shares issued during the year	-	-
Add: Split of Shares into Face Value of Rs. 5 each	70,95,700	-
Add: Bonus shares issued in the ratio of 2 for every 1 share held	2,83,82,800	141.91
Less: Share bought back during the year	-	-
As at March 31, 2022	**4,25,74,200**	**212.87**

(iii) Terms/right attached to Equity Shares

The Company has one class of shares having a face value of Rs. 5/- per equity share (Previous Year ended March 31 2021, 2020 is Rs. 10/- per equity share). All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Shareholders are entitled to one vote per equity share held in the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iv) Shares Split & Bonus Issue

Pursuant to a resolution passed by our Board on September 6, 2021 and a resolution of shareholders dated, September 30, 2021, each equity share of face value of Rs. 10 each has been split into two equity shares of face value of Rs. 5 each. Accordingly, the issued, subscribed and paid up capital of the Company was subdivided from 70,95,700 equity shares of face value of Rs. 10 each to 1,41,91,400 equity shares of face value of Rs. 5 each.

The Board of Directors pursuant to a resolution dated September 6, 2021 and the shareholders special resolution dated September 30, 2021 have approved the issuance of two bonus equity shares of face value Rs. 5 each for every one existing fully paid up equity share of face value Rs. 5 each and accordingly 2,83,82,800 bonus equity shares were issued and allotted in accordance with the Section 63 of the Companies Act, 2013.

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(v) Shareholders holding more than 5 percent of Equity Shares

Name of Shareholder	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Suman Sethia	39,60,000	6,60,000	6,60,000
	9.30%	*9.30%*	*9.30%*
M.L.Sethia	-	-	6,21,650
	0.00%	*0.00%*	*8.76%*
Prem Lata Sethia	28,02,000	4,67,000	4,67,000
	6.58%	*6.58%*	*6.58%*
Kishor Sethia	36,44,928	6,07,488	-
	8.56%	*8.56%*	*0.00%*
Kamal Sethia	22,29,618	3,71,603	-
	5.24%	*5.24%*	*0.00%*
Gaurav Sethia	31,43,004	5,23,834	-
	7.38%	*7.38%*	*0.00%*

(vi) Shareholding of Promoters

Promoter Name	Shares held at Mar 31' 2022		% Change during the year ended Mar 31' 2022
	Nos. of Shares	% of Total Shares	
M.L.Sethia	-	*0.00%*	-
Kamal Sethia	22,29,618	*5.24%*	-
Suman Sethia	39,60,000	*9.30%*	-
Kishor Sethia	36,44,928	*8.56%*	-
Vasudha Sethia	10,80,900	*2.54%*	-
Gaurav Sethia	31,43,004	*7.38%*	-
Vinay Kumar Sethia	6,33,300	*1.49%*	-
Sanjeev Sethia	9,15,600	*2.15%*	-
Sumit Sethia	8,64,450	*2.03%*	-

B. Other Equity

Particulars	As at Mar 31, 2022	As at March 31, 2021	As at April 1, 2020
(i) Retained Earnings	1,598.04	1,329.70	1,100.68
(ii) Other Reserves *			
a. Securities Premium	59.55	59.55	59.55
b. General Reserve	476.30	568.21	518.21
(iii) Components of Other Comprehensive Income			
a. Changes in fair value of FVOCI equity instruments	(0.10)	(0.10)	(0.10)
b. Remeasurement of defined benefit plans	30.75	14.79	19.71
Total	**2,164.54**	**1,972.16**	**1,698.06**

*** Brief description of Other Reserves:**

a. Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

b. General reserve is the free reserve created out of the retained earnings of the Company. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

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(i) Retained Earnings

Particulars	Amount
As at April 01, 2020	**1,100.68**
Add: Net profit for the year	279.02
Less: Transfer to reserve during the year	(50.00)
As at March 31, 2021	**1,329.70**
Add: Net profit for the year	318.34
Less: Transfer to reserve during the year	(50.00)
As at Mar 31, 2022	**1,598.04**

(ii) Other Reserves

Particulars	Securities Premium	General Reserve
As at April 01, 2020	**59.55**	**518.21**
Increase during the year	-	50.00
Decrease during the year	-	-
As at March 31, 2021	**59.55**	**568.21**
Increase during the year	-	50.00
Decrease during the year	-	(141.91)
As at March 31, 2022	**59.55**	**476.30**

(iii) Components of Other Comprehensive Income

Particulars	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans
As at April 01, 2020	**(0.10)**	**19.71**
Increase during the year	-	
Decrease during the year	-	(4.91)
As at March 31, 2021	**(0.10)**	**14.79**
Increase during the year	-	15.96
Decrease during the year	-	-
As at March 31, 2022	**(0.10)**	**30.75**

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20 Non-Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Secured Borrowings			
Term Loans - from Banks*	492.52	559.89	484.04
Less : Current maturities of long term debt - Term Loans	(161.68)	(190.49)	(94.59)
Total	**330.84**	**369.40**	**389.45**

* net off of Rs 0.54 Millions (2021: Rs. 0.93 Millions and 2020 : Rs. 0.79 Millions) as finance charge

Notes:

a) Term Loans is secured by way of first pari passu charge over entire movable Property Plant and Equipment of the company and immovable Property Plant and Equipment of the company by equitable mortgage of properties situated at Ghaziabad and Goa. These are further secured by second pari passu charge on entire current assets of the company and personal guarantee of the four Directors of the Company.

b) Term Loans - Repayment schedule and rate of interest

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Secured			
Weighted Ave. Rate of Interest	6.99%	7.18%	7.61%
Outstanding amount	**492.52**	**559.89**	**484.04**
Repayment Due			
FY 2020-21			94.59
FY 2021-22		190.49	166.61
FY 2022-23	161.68	143.22	
FY 2023-24	123.60		
Remaining payable upto 2028-29	207.24	226.18	222.84

21 Non-Current Liabilities - Provisions

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Provisions for Employee Benefits (refer note 37)			
Provision for Leave Encashment	7.73	7.34	4.50
Total	**7.73**	**7.34**	**4.50**

22 Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Borrowings - Loans repayable on demands			
Secured			
(i) from banks - Working Capital	264.56	371.81	154.44
(ii) Current maturities of Long term borrowings (refer note 20)	161.68	190.49	94.59
Unsecured			
(i) from banks - Vendors bills discounting	95.93	82.98	10.31
Total	**522.17**	**645.29**	**259.34**

Notes:

a. Working Capital loan of Company is secured by exclusive first pari passu charge on entire stock of Raw material, Work-in-Progress, Finished Goods, Consumable Stores, Book Debts and other current assets of the company, both present and future. These loans are further secured by second pari passu charge over the entire movable Property Plant and Equipment of the company, other and immovable Property Plant and Equipment of the company by equitable mortgage of properties situated at Ghaziabad and Goa and personal guarantee of the four Directors of the company.

b. Unsecured loan of Vendor Bill discounting as Electronic Vendor Financing Scheme is Repayable on due dates as agreed with the Vendors.

23 Current Financial Liabilities - Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Trade Payables			
Due to Micro and Small Enterprises (refer note 38)	147.79	156.74	85.11
Others	665.12	698.77	465.85
Total	**812.91**	**855.51**	**550.96**

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23.1 Trade Payables Ageing Schedule, on due basis:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
MSME (Undisputed)			
Not Due	129.47	136.33	62.67
Less than 1 year	18.32	20.41	22.44
1 -2 years	-	-	-
2 -3 years	-	-	-
More than 3 years	-	-	-
Total	**147.79**	**156.74**	**85.11**
Other than MSME (Undisputed)			
Not Due	482.17	543.76	296.19
Less than 1 year	182.51	134.73	118.21
1 -2 years	0.38	2.81	5.29
2 -3 years	0.04	0.88	41.90
More than 3 years	0.01	16.60	4.27
Total	**665.12**	**698.77**	**465.85**

23.2 There are no disputed balances of MSME or other than MSME as on Mar'22, Mar'21 and Apr'20

24 Other Financial Liabilities - Current

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Security deposit	-	0.06	0.06
Expenses Payables *	79.72	80.20	74.23
Total	**79.72**	**80.26**	**74.29**

*includes primarily Salaries & Bonus Payable and other expenses payable

25 Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Advances from Customers	21.04	8.89	22.20
Statutory Liabilities payable	19.62	26.18	9.97
Total	**40.66**	**35.07**	**32.17**

26 Current Liabilities - Provisions

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Provisions for Employee Benefits (refer note 37)			
Provision for Leave Encashment	6.91	6.01	6.35
Total	**6.91**	**6.01**	**6.35**

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27 Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale and Services		
- Sale of Products	8,629.22	6,912.91
- Sale of Services	16.48	14.87
Other Operating Revenues		
- Scrap sale	269.25	191.88
- Export Incentives	1.10	0.45
Total	**8,916.06**	**7,120.11**

27.1 Contract Balances

Receivables, which are included in 'trade receivables'	1,217.41	1,518.45

27.2 Revenue from sale of products / services disaggregated by primary geographical market

India	8,889.02	7,092.31
Outside India	27.04	27.80
Total revenue from contracts with customers	**8,916.06**	**7,120.11**

28 Other Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other non-operating income		
Interest on Bank Deposits	1.21	1.86
Dividend Received	0.24	1.04
Gain/(loss) on sale of current investments measured at FVTPL	(0.29)	8.92
Fair value gain/(loss) on investments measured at FVTPL	2.13	3.13
Rent Received	0.36	0.36
Sundry Balances Written Back	-	1.60
Profit on sales of Property, Plant and Equipment	0.86	-
Total	**4.51**	**16.91**

29 Cost of Material Consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Balance	625.86	376.84
Add : Purchases during the year	6,352.65	5,265.73
	6,978.51	**5,642.57**
Less: Closing Stock	656.22	625.86
Total material consumed	**6,322.29**	**5,016.71**

30 Change in inventories of finished goods, work-in progress and stock-in trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock		
Finished Goods	56.76	108.66
Work in process	254.30	169.64
	311.06	**278.30**
Closing Stock		
Finished Goods	120.58	56.76
Work in process	260.11	254.30
	380.69	**311.06**
Total	**(69.63)**	**(32.77)**

31 Employee Benefits Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, bonus and allowances	971.33	839.29
Contribution to Provident and other funds	51.11	43.01
Staff welfare expenses	18.00	14.08
Total	**1,040.45**	**896.37**

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32 Finance Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on financial liabilities measured at amortised cost :		
- on borrowings	116.70	82.34
- on lease liabilities	0.15	0.15
- other Interest cost	0.02	0.01
Other borrowing cost	4.81	3.01
Total	**121.68**	**85.51**

33 Other Expenses

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Manufacturing Expenses			
Power and Fuel & Water Charges		150.42	132.00
Carriage Inwards Expenses		25.96	23.40
Processing Charges		225.32	163.30
Consumable Stores		26.60	24.20
Testing & Calibration Expenses		2.66	1.78
Repairs and Maintenance		67.49	67.50
	(A)	**498.46**	**412.19**
Selling and Distribution Expenses			
Advertisement & Sales promotion expenses		0.44	0.56
Carriage & Octroi (Outward)		26.74	20.13
	(B)	**27.18**	**20.69**
Establishment Expenses			
Rent		9.17	6.20
Rates and Taxes		5.34	1.74
Auditors' Remuneration			
- Audit Fees		0.85	0.73
- In Other Capacity *		0.76	0.76
Legal and Professional Charges		7.70	5.96
Communication Expenses		2.46	1.82
Travelling and Conveyance Expenses		12.71	11.96
Vehicle Running & Maintenance		17.21	12.83
Insurance Expenses		5.11	8.28
Bad debts, other balances written off (net)		-	0.00
Provision for Doubtful Receivables		(0.15)	0.84
Sitting Fees to non-executive directors		0.68	0.04
Corporate Social Responsibility Expenses (refer note 45)		4.41	4.30
Research & Product Development Expenses		59.21	60.46
Exchange Fluctuation Loss (Net)		0.02	0.04
Net Loss / (Gain) on Sale of Property Plant and Equipment		-	2.17
Miscellaneous Expenditure		17.30	15.26
	(C)	**142.79**	**133.37**
Total (A to C)		**668.42**	**566.25**

* excluding Professional fee of Rs. 2.00 Million paid to the Statutory Auditors of Company towards Proposed Initial Public Offering of its equity shares and debit to Unamortised share issue expenses (refer note 18).

34 Earning per Share (EPS)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic & Diluted Earnings per share :		
Profit/(Loss) for the year	318.34	279.02
Profit/(Loss) attributable to ordinary shareholders (A)	318.34	279.02
Weighted average number of ordinary shares (B) (Pre-Bonus & share split)	4,25,74,200	70,95,700
Weighted average number of ordinary shares (C) (Post-Bonus & share split) #	4,25,74,200	4,25,74,200
Nominal value of ordinary share	**Rs. 5/-**	**Rs. 5/-**
Earnings per share - Basic & Diluted (A/B) - Rs. (Pre-Bonus & share split)	**7.48**	**39.32**
Earnings per share - Basic & Diluted (A/B) - Rs. (Post-Bonus & share split) #	**7.48**	**6.55**

Post retrospective adjustment of Bonus Issue & Stock Split in compliance with Ind AS 33 - Earnings per Share

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35 Impact and future uncertainties relating to Global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the Standalone financial information including there coverability of carrying amounts of financial and non financial assets. Further the impact assessment does not indicate any adverse impact on the ability of the Company to continue as a going concern. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of the Standalone financial information, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's Standalone financial information may differ from that estimated as at the date of approval of these Standalone financial information.

36 Disclosure with respect to Ind AS 116 - Leases

The Company has entered into agreements for leasing lease hold lands on lease. On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of INR 0.79 Millions and a lease liability of INR 1.86 Millions.

The following is the summary of practical expedients elected on initial application:
1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the short-term lease exemption to leases with lease term that ends within 12 months at the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.
5. The accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2020 as short-term leases.

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under previous GAAP. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.

Information about Leases Assets for which the Company is a lessee is presented below :

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Balance as at beginning of the year	**0.76**	**0.78**	**0.79**
Additions	-	-	-
Deletions	-	-	-
Depreciation*	(0.01)	(0.01)	(0.01)
Balance as at end of the year	**0.75**	**0.76**	**0.78**

*The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in the Standalone Statement of Profit and Loss.

The changes/movement in Lease Liabilities of the Company are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Balance as at beginning of the year	**1.98**	**2.01**	**1.86**
Additions	-	-	-
Deletions	-	-	-
Payment of lease liabilities	(0.17)	(0.17)	-
Accreditation of interest	0.15	0.15	0.14
Balance as at end of the year	**1.97**	**1.98**	**2.01**
Current Liabilities	0.05	0.05	0.05
Non-Current Liabilities	1.91	1.93	1.95
Total cash outflow for leases	(0.17)	(0.17)	-

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Such lease liabilities are related to Leasehold lands having maturity period of more than 5 year.

The table below provides details regarding amounts recognised in the Standalone Statement of Profit and Loss:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expenses relating to short-term leases and/or leases of low-value items	9.17	6.20
Interest on lease liabilities	0.15	0.15
Depreciation expense	0.01	0.01
Total	**9.33**	**6.36**

Lease contracts entered by the Company majorly pertains for buildings and lands taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract. The leases that the Company has entered with lessors towards properties used as ware houses/ offices are short term in nature and no changes in terms of those leases are expected due to the COVID-19.

37 The Company has recognised the following amounts in the Standalone financial Information as per Ind AS - 19 "Employees Benefits" as specified in the Companies (Indian Accounting Standards) Rules, 2015:

a) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised are charged to the Standalone Statement of Profit and Loss for the year as under :

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's Contribution to Provident Fund and other	51.11	43.01

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b) Defined Benefit Plan

The employees' gratuity fund scheme is managed by Kotak Mahindra Life Insurance Limited, Bajaj Allianz Life Insurance Co. Ltd and Birla Sun Life Insurance Co. Ltd. which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation and the obligation for leave encashment is recognised in the same manner as gratuity.

Actuarial assumptions

Particulars	Gratuity (Funded)			Leave Encashment		
	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020
Discount rate (per annum)	7.00%	6.25%	6.25%	7.00%	6.80%	6.25%
Salary Escalation Rate	5.00%	5.00%	3.00%	5.00%	5.00%	3.00%
Average remaining working lives of employees (Years)	24.00	24.59	24.35	-	-	-
Table showing changes in present value of obligations :						
Present value of obligation as at the beginning of the year	122.77	100.05	99.28	13.34	10.85	10.67
Interest Cost	7.67	6.25	7.45	0.83	0.68	0.80
Current Service Cost	10.68	10.73	8.68	13.02	4.26	3.68
Benefits paid	(49.73)	(5.63)	(4.78)	(2.06)	(2.17)	(1.32)
Actuarial (gain)/ loss on obligations	32.65	11.36	(10.58)	(10.49)	(0.27)	(2.99)
Present value of obligation as at the end of the year	124.05	122.77	100.05	14.64	13.34	10.85
Table showing changes in the fair value of plan assets :						
Fair value of plan assets at beginning of the year	123.84	108.22	98.72	6.84	6.46	5.84
Actual return of plan assets	7.74	6.70	7.40	0.43	0.40	0.44
Employer contribution	4.03	11.07	5.50	2.06	2.17	1.32
Benefits paid	(49.73)	(5.63)	(4.78)	(2.06)	(2.17)	(1.32)
Actuarial gain/ (loss) on obligations	43.48	4.53	1.37	(0.13)	(0.02)	0.18
Charges deducted	-	(1.04)	-	-	-	-
Fair value of plan assets at the end of year	129.37	123.84	108.22	7.14	6.84	6.46
Other Comprehensive Income						
Actuarial (gain) / loss for the year - Obligation	32.65	11.36		(10.49)	(0.27)	
Actuarial (gain) / loss for the year - Plan assets	(43.48)	(4.53)		(0.13)	(0.02)	
Total (gain) / loss for the year	(10.83)	6.84		(10.62)	(0.29)	
The amounts to be recognized in Standalone Statement of Assets and Liabilities :						
Present value of obligation as at the end of the year	124.05	122.77	100.05	14.64	13.34	10.85
Fair value of plan assets as at the end of the year	129.37	123.84	108.22	7.14	6.84	6.46
Net (asset)/ liability recognised in Consolidated Ind AS Balance Sheet	(5.32)	(1.07)	(8.17)	7.50	6.50	4.39
Expenses recognised in Standalone Statement of Profit and Loss :						
Current service cost	10.68	10.73		13.02	4.26	
Interest Cost	(0.07)	(0.45)		0.41	0.27	
Expenses recognised in the Consolidated statement of profit and loss	10.61	10.28		13.42	4.54	
Sensitivity analysis of the defined benefit obligation:						
Impact of the change in Discount Rate						
Present Value of Obligation at the end of the year	124.05	122.77	100.05	14.64	13.34	10.85
Impact due to increase of 1%	(8.89)	(9.52)	(6.34)	(0.72)	(0.84)	(0.44)
Impact due to decrease of 1%	10.33	11.13	7.32	0.91	1.00	0.52
Impact of the change in salary increase						
Present Value of Obligation at the end of the year	124.05	122.77	100.05	14.64	13.34	10.85
Impact due to increase of 1%	9.78	10.41	6.93	1.02	0.94	0.49
Impact due to decrease of 1%	(8.57)	(9.07)	(6.14)	(0.89)	(0.80)	(0.42)

Sensitivities due to mortality & withdrawals are insignificant & hence ignored.

Particulars	Gratuity March 31, 2022	Gratuity March 31, 2021	Gratuity April 1, 2020	Leave Encashment March 31, 2022	Leave Encashment March 31, 2021	Leave Encashment April 1, 2020
Maturity profile of defined benefit obligation:						
Year 1	19.06	16.72	22.93	6.91	6.01	6.35
Year 2	8.97	7.84	6.08	0.61	0.48	0.34
Year 3	8.91	8.65	6.95	0.65	0.50	0.38
Year 4	8.48	8.08	7.80	0.55	0.59	0.36
Year 5	11.76	7.90	7.88	0.78	0.48	0.41
Year 6 to 10	57.38	55.21	41.49	3.74	3.28	2.17
Investment Details						
Funds managed by Insurance Companies	128.65	123.49	107.87	7.14	6.84	6.46
Cash / Bank Balance	0.72	0.35	0.35	-	-	-

Note: The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuarial Valuer.

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

38 Disclosure as required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act):

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Principal amount remaining unpaid to micro & small enterprises	147.79	156.74	85.11
Interest due on above	-	-	-
Interest paid during the period beyond the appointed day	-	-	-
Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-	-
Amount of interest accrued and remaining unpaid at the end of the period	-	-	-
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 small enterprises for the purpose of disallowance as a deductible expenditure under Sec.23 of the Act	-	-	-

Note: The above information and that given in Note 23' Trade Payables' regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors. The Company has not received any claim for interest from any supplier as at the balance sheet date.

39 Commitments and Contingencies

(a) Contingent Liabilities not provided for in respect of :

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(i) Unexpired Letters of Credit	31.49	48.75	8.39
(ii) Guarantees given by banks on behalf of the Company	12.40	3.50	2.43
(iii) Claims against the Company towards Sales tax, Provident fund, GST and others in dispute not acknowledged as debt	13.49	11.21	9.27

Notes:

i) The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its Standalone financial Information. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

ii) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, The Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.

iii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

iv) The Company does not have outstanding term derivative contracts as at the end of respective years.

v) There were no amounts which were required to be transferred to the investor Education and Protection fund by the company at the end of respective years.

(b) Capital Commitments

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	54.38	97.67	20.61

40 In the opinion of the Board, all assets other than Property Plant and Equipment and non-current investments, have a realisable value in the ordinary course of business which is not significantly differ from the amount at which it is stated.

41 Other Comprehensive Income (OCI)

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Item of income / expense that is not recognised in profit or loss but is shown in the Standalone statement of profit and loss as 'other comprehensive income' includes Gain/(Loss) on Equity Instruments designated through OCI and Actuarial (gain)/ loss on employees benefits obligations. The concept of other comprehensive income did not exist under the previous GAAP.

42 Research & Development (R&D) Expenditure

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Revenue Expenditure	59.21	60.46
Capital Expenditure	1.80	-
Total	**61.02**	**60.46**

42.1 Capital expenditure incurred on R&D is included in the Property Plant and Equipment and depreciation is provided on the same at respective applicable rates.
42.2 Revenue expenditure incurred on R&D has been shown under Other Expense head in the Statement of Profit and loss.

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43 "Related Party Disclosures" as required by Ind AS - 24 :

(i). Name and description of related parties.

Relationship	Name of Related Party	
(a) Key management personnel :	Sh. M.L. Sethia	(Chairman)
	Sh. Kamal Sethia	(Managing Director)
	Sh. Sanjeev Sethia	(Whole Time Director - EMS)
	Sh. Sumit Sethia	(Whole Time Director - Goa Operation) (w.e.f. 03rd Jun'2020)
	Sh. Kishor Sethia	(Whole Time Director - Works) (Ceased w.e.f. 6th Sep'2021) (Key Managerial Personal*) (w.e.f. 30th Sep'2021)
	Sh. Vinay Kumar Sethia	(Whole Time Director- Commercial) (Ceased w.e.f. 6th Sep'2021) (Key Managerial Personal*) (w.e.f. 30th Sep'2021)
	Sh. Raj Karan Chhajer	(Chief Financial Officer) (w.e.f. 30th Sep'2021)
	Sh. Avinash Karwa	(Company Secretary)
(b) Post Employment Benefit Plans	Elin Employees Group Gratuity Trust	
(c) Enterprises owned or Significantly influenced by key management personnel or their relatives.	Kanchan Commercial Co. Pvt. Ltd.	
	Magtronic Devices Pvt. Ltd.	
	Sethia Oil Industries Limited	

* As per section 2(51) of Companies Act 2013

Note: Related party relationship is as identified by the Company and relied upon by the auditors

(ii). Nature of transactions - The transactions entered into with the related parties during the year along with related balances as at respective years are as under:

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Purchases/receiving of Goods & services		
Elin Appliances Private Limited	2.23	3.33
Sales/rendering of Goods & services		
Elin Appliances Private Limited	537.78	493.42
Sethia Oil Industries Ltd.	0.01	0.01
Purchase of Property, Plant and Equipment		
Magtronic Devices Pvt. Ltd.	-	0.07
Income - Rent /Other income		
Magtronic Devices Pvt. Ltd.	0.36	0.36
Expenses - Rent /Other expenses		
Kanchan Commercial Co. Pvt.Ltd.	0.60	0.60
Elin Appliances Private Limited	3.84	3.84
Closing Balances of Receivables		
Elin Appliances Private Limited	44.10	56.48
Contribution towards Gratuity Liabilities		
Elin Employees Group Gratuity Trust	4.03	11.07
Remuneration of Key Management Personnel *		
Sh. M.L. Sethia	3.64	3.04
Sh. Kamal Sethia	5.17	4.46
Sh. Kishor Sethia	4.96	4.28
Sh. Sanjeev Sethia	5.49	4.30
Sh. Vinay Kumar Sethia	5.38	3.24
Sh. Sumit Sethia	6.87	4.92
Sh Raj Karan Chhajer	1.25	-
Sh. Avinash Karwa	2.76	2.09

* As the future liability for gratuity and leave encashment is provided on an actuarial basis for the company as a whole, the amount pertaining to the directors is not ascertainable and therefore, not included above.

44 Segment Reporting

The Company publishes the Standalone financial statements of the Company along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

45 Corporate social responsibility expenses:

	Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
a	amount required to be spent by the Company during the year,	**4.40**	**3.61**
b	amount of expenditure incurred,	4.41	4.30
c	shortfall at the end of the year,	-	-
d	total of previous years shortfall,	-	-
e	reason for shortfall,	-	-
f	nature of CSR activities,		
	On promotion of Education	3.16	2.46
	On promoting health care including preventive health care and sanitation	1.20	0.79
	On contribution to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	-	0.50
	On Eradicating Hunger, Poverty And Malnutrition	-	0.55
	Disaster management, including relief, rehabilition and reconstruction activities	0.05	-
g	details of related party transactions, e., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	Nil	Nil
h	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period should be shown separately	Nil	Nil

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46 Financial Instruments and risk management

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and lease liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents, trade and other receivables that derive directly from its operations.

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

46.1 Financial Instruments by category

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
(i) Investments- Equity Instruments(level 2)	-	-	-	-	-	-
(ii) Investments- Mutual Funds (level 1)	7.14	-	-	17.18	-	-
(iii) Trade receivables	-	-	1,217.41	-	-	1,518.45
(iv) Cash and cash equivalents	-	-	39.40	-	-	19.49
(v) Bank balances other than (iv) above	-	-	9.21	-	-	6.88
(vi) Other Financial Assets	-	-	26.36	-	-	32.61
Total financial assets	**7.14**	**-**	**1,292.38**	**17.18**	**-**	**1,577.44**
Financial liabilities						
(i) Borrowings	-	-	853.01	-	-	1,014.69
(ii) Lease Liabilities	-	-	1.97	-	-	1.98
(iii) Trade payables	-	-	812.91	-	-	855.51
(iv) Other financial liabilities	-	-	79.72	-	-	80.26
Total Financial liabilities	**-**	**-**	**1,747.60**	**-**	**-**	**1,952.43**

Particulars	As at April 01, 2020		
	FVTPL	FVTOCI	Amortized Cost
Financial Assets			
(i) Investments- Equity Instruments(level 2)	-	-	-
(ii) Investments- Mutual Funds (level 1)	143.77	-	-
(iii) Trade receivables	-	-	754.93
(iv) Cash and cash equivalents	-	-	25.11
(v) Bank balances other than (iv) above	-	-	12.42
(vi) Loans	-	-	-
(vii) Other Financial Assets	-	-	25.58
Total financial assets	**143.77**	**-**	**818.05**
Financial liabilities			
(i) Borrowings	-	-	648.79
(ii) Lease Liabilities	-	-	2.01
(iii) Trade payables	-	-	550.96
(iv) Other financial liabilities	-	-	74.29
Total Financial liabilities	**-**	**-**	**1,276.05**

Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorized into Level 1 , Level 2 and Level 3 inputs. There are no transfers between level 1, level 2 and level 3 during the years presented.

Significant estimates:
The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

46.2 Management of Financial Risk
Liquidity risk
Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

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

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the year closing date.

	Notes Nos.	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2022					
Borrowings (excluding lease liabilities)	20, 22	853.01	522.17	330.84	**853.01**
Lease Liabilities	36	1.97	0.05	1.91	**1.97**
Trade payables	23	812.91	812.91	-	**812.91**
Other liabilities	24	79.72	79.72	-	**79.72**
As at March 31, 2021					
Borrowings (excluding lease liabilities)	20, 22	1,014.69	645.29	369.40	**1,014.69**
Lease Liabilities	36	1.98	0.05	1.93	**1.98**
Trade payables	23	855.51	855.51	-	**855.51**
Other liabilities	24	80.26	80.26	-	**80.26**
As at April 01, 2020					
Borrowings (excluding lease liabilities)	20, 22	648.79	259.34	389.45	**648.79**
Lease Liabilities	36	2.01	0.05	1.95	**2.01**
Trade payables	23	550.96	550.96	-	**550.96**
Other liabilities	24	74.29	74.29	-	**74.29**

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI & FVTPL investments.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rates. The Company does not expose to the risk of changes in market interest rates as Company's long and short term debt obligations are of fixed interest rate.

Currency risk

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

The Company undertakes transactions denominated in foreign currencies and consequently, exposes to exchange rate fluctuations. The Company does not enter into trade financial instruments including derivate financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company established policy, procedures and control relating to customer credit risk management. To manage trade receivable, The Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 45. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

None of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

Capital management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and Maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain investor and creditors confidence.

The following table provides detail of the debt and equity at the end of the reporting period :

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Gross Debt	853.01	1,014.69	648.79
Less : Cash and Cash equivalents (Note 14)	39.40	19.49	25.11
Net Debt (A)	**813.61**	**995.19**	**623.68**
Total Equity (B)	2,377.41	2,043.12	1,769.01
Net Debt to Equity Ratio (A/B)	**0.34**	**0.49**	**0.35**

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47 Foreign Currency Exposure

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations will arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars		As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Trade payable	USD/INR	34.81	73.99	36.10
	Amount in FC	*4,53,410.82*	*10,12,063.00*	*4,69,113.60*
	CNY/INR	-	-	0.00
	Amount in FC	-	-	*40.00*
Trade receivable	USD/INR	8.59	14.11	7.57
	Amount in FC	*1,14,174.75*	*1,92,947.00*	*98,378.67*

Foreign currency sensitivity analysis:

The following details are demonstrate The Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity and vice-versa.

Impact on profit or loss		As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
INR strengthens by 5%	USD Impact	(1.31)	(2.99)	(1.43)
	CNY Impact	-	-	0.00
INR weakening by 5%	USD Impact	1.31	2.99	1.43
	CNY Impact	-	-	(0.00)

48 First Time Adoption of Ind AS

TheStandalone Ind AS Balance Sheet of the Company as at March 31, 2022 and the Standalone Statement of Profit and Loss, the Standalone Statement to changes in Equity and the Standalone Statement of Cash Flows for the year ended March 31, 2022 and other financial information has been prepared under Indian Accounting Standards (Ind AS') notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

These Standalone Ind AS financial statements, for the year ended March 31, 2022, are the first financial statements prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2021, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 ("IGAAP" or "Previous GAAP").

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March, 2022, the comparative information presented in these financial statements for the year ended 31 March, 2021 and in the preparation of an opening Ind AS balance sheet at 01 April, 2020 (the Company date of transition). In preparing its opening Ind AS balance sheet, any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of 01 April 2020, were recognized in equity under retained earnings within the Ind AS Balance Sheet. An explanation of how the transition from previous GAAP to Ind AS has affected the Company financial position, financial performance and cash flows is set out in the following notes.

A. Exemptions and Exceptions Availed

The accounting policies set out in Note 2 have been applied in preparing the Standalone financial information. Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date April 01, 2020.

The Company has elected to measure intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

A.1.2 Business Combination

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to the transition Date.

A.1.3 Fair value measurement of financial assets or financial liabilities at initial recognition

Ind AS 101 provides the option to apply the requirements in paragraph B5.1.2A (b) of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. The Company elected to apply the Ind AS 109 prospectively to financial assets and financial liabilities after its transition date.

A.1.4 Leases

The Company has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date (April 01, 2020) when applying Ind AS 116 initially:

i) lease liability is recognised, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

ii) a right of use assets is recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Statement of assets and liabilities immediately before the date of initial application.

The Company also applied the available practical expedients wherein it:

a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics

b) Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application

c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

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A.2 Ind AS mandatory exceptions

A.2.1 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

A.2.3 Estimates

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL
- Determination of the discounted value for financial instruments carried are amortised cost.
- Impairment of financial assets based on the expected credit loss model.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

B.1 Reconciliation of total equity between previous GAAP and Ind AS

	Notes to first-time adoption	As at March 31, 2021	As at April 1, 2020
Total Equity (shareholders funds) as per previous GAAP		**1,843.51**	**1,629.58**
Adjustments:			
- Leases	C.6	(0.89)	(0.91)
- Depreciation on PPE	C.1	264.06	169.82
- Fair valuation of investment in mutual funds	C.4	4.57	6.85
- Financial assets measured at FVOCI	C.2	(0.10)	(0.10)
- Actuarial valuation impact on employee benefits	C.3	(0.12)	7.56
- Allowance for expected credit loss	C.7	(1.72)	(0.88)
- Interest Expenses on borrowings using EIR	C.5	0.94	0.79
- Tax adjustments	C.8	(67.13)	(43.71)
Total Adjustments		199.61	139.44
Total Equity as per Ind AS		**2,043.12**	**1,769.02**

B.2 Reconciliation of total comprehensive income between previous GAAP and Ind AS

	Notes to first-time adoption	For the year ended March 31, 2021
Profit After Tax as per previous GAAP		**213.93**
Adjustments:		
- Leases	C.6	0.01
- Depreciation on Property, Plant and Equipment	C.1	94.25
- Fair valuation of investment in mutual funds	C.4	(2.29)
- Actuarial valuation impact on employee benefits	C.3	(7.68)
- Remeasurements of the defined benefit plans reclassified to OCI	C.3	6.57
- Allowance for expected credit loss	C.7	(0.84)
- Interest Expenses on borrowings using EIR	C.5	0.15
- Tax adjustments	C.8	(25.07)
Net profit under Ind AS		**279.03**
Add: Other Comprehensive Income(Net of Tax)		(4.91)
Total Comprehensive Income for the Year		**274.11**

B.3 Impact of Ind AS adoption on the Standalone Statement of Cash Flows

There were no material differences between the Standalone Statement of cash flow and cash flow statement under previous GAAP.

C. Notes to First Time Adoption:

C.1. Depreciation on Property, Plant and Equipment

Under previous GAAP, the Company used to depreciate its tangible assets, except leasehold improvements under Written Down Value ('WDV') method. To reflect the pattern in which asset's future economic benefits are expected to be consumed, the Company with effect from April 01, 2020 has changed its method of depreciation to Straight Line Method ('SLM') in respect of the assets which were hitherto depreciated under WDV method. As a consequence, the depreciation in the Standalone Statement of Profit and Loss for the year ended March 31, 2021 is reduced and corresponding increase in the value of fixed assets.

C.2. Equity Instruments designated through OCI

Under the Previous GAAP, investments in equity instruments were classified as long-term investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, these investments (other than Investment in subsidiaries, associates/ joint ventures) are required to be measured at fair value. Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI equity instruments reserve as at the date of transition and subsequently in the other comprehensive income.

OSWAL SUNIL & COMPANY Chartered Accountants FRN: 016520N New Delhi

ELIN ELECTRONICS LIMITED New Delhi

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

C.3. Actuarial valuation impact on employee benefits

Upto the year ended March 31, 2021 the Company did not make provision for gratuity and leave encashment in accordance with the requirement of applicable accounting standard. Accordingly, provision for gratuity and leave encashment has been restated by the Company as at April 01, 2020 and for the year ended March 31, 2021 in accordance with Ind AS 19. Further, provision for gratuity and leave encashment upto year ended 31 March 2020 which were not booked earlier as per applicable accounting standard, is debited/credited to retained earning as at April 01, 2020.

Under the previous GAAP, the remeasurements of the defined benefit plans were forming part of the profit or loss for the year. Under Ind AS, these remeasurements of the defined benefit plans i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss.

C.4. Fair valuation of investment in mutual funds

Under Previous GAAP, current investments in instruments such as mutual funds are recognised at cost or net realisable value, whichever is lower. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the standalone statement of profit and loss for the year ended March 31, 2021.

C.5. Interest Expenses on borrowings using EIR

Under the previous GAAP, the processing fees for borrowings was charged off as finance cost during the year it was incurred. Under Ind AS, the processing fees has been recognised based on the Effective Interest Rate (EIR) method over the period of loan. Accordingly processing fees has been recognised as prepaid expenses in the year in which it was incurred and amortised over the period of the loan based on the EIR method.

C.6. Leases

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incident to the ownership of an asset. Operating lease were expensed in the standalone statement of profit and loss. Under Ind AS 116, all arrangement that full under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Company has recognised a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments.

C.7. Allowance for expected credit loss

As per Ind AS 109 requirement, expected credit loss impact on Trade receivable has been worked out for the purpose of financial statement and shown as adjustments.

C.8. Deferred tax assets (net)

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary difference between the carrying value of assets and liabilities and their respective tax bases. Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the standalone financial information.

C.9. Retained earnings

Retained earnings as at 1st April, 2020 has been adjusted consequent to the above Ind AS transition adjustments.

49 Tax Reconciliation

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Net Profit as per standalone statement of profit and loss (before tax)	**430.56**	**381.41**
Current Tax rate @ Applicable Tax Rates	**108.36**	**95.99**
Adjustment:		
Allowability of Depreciation & Employee Benefits	(9.46)	(10.86)
Amount of eligible / ineligible expenditure	2.59	0.69
Tax deductions, Exemptions & Losses Set Off	-	(1.38)
Taxation of Capital Gains	0.16	-
Other adjustments	1.93	4.25
Tax Provision as per Books	**103.58**	**88.70**

50 Financial Ratios

Ratios/Measure	Methodology	March 31, 2022	March 31, 2021	Variation
a) Current ratio	Current assets over current liabilities	1.66	1.55	7.16%
b) Debt equity ratio	Net Debt over total shareholders' equity	0.34	0.49	-29.74%
c) Debt service coverage ratio	Earnings available for debt services over total debt	66.44%	52.27%	27.09%
d) Return on equity %	PAT over total average equity	14.40%	14.64%	-1.61%
e) Inventory turnover ratio	Cost of goods sold over average inventory	6.59	6.36	3.52%
e) Trade receivables turnover ratio	Revenue from operations over average trade receivables	6.52	6.26	4.06%
f) Trade payables turnover ratio	Net Purchases over average trade payables	7.95	7.66	3.81%
g) Net capital turnover ratio	Revenue from operations over average working capital	18.05%	15.12%	19.35%
h) Net profit %	Net profit over revenue	3.57%	3.92%	-8.89%
j) Return on capital employed %	Earning before interest and taxes over Capital employed	16.69%	14.96%	11.60%
k) Return on investment	Interest income, net gain on sale of investments and net fair value gain over average investments.	17.12%	16.27%	5.23%

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Notes:-

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
"Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.
Working Capital implies Current Assets less Current Liabilities.
Capital employed refers to sum of tangible net-worth, total debts and deferred tax liability as at close of year.

Explanation for variances exceeding 25%

b & c) Debt equity ratio has improved on account of decrease in borrowings during the current year. For similar reasons, debt service coverage ratio is also improved.

51 Other Statutory Information

i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

vii) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.

viii) The Company has certain charges which are either pending for registration of modification or satisfaction with the ROC, as the instrument for modification or satisfaction of charge is pending to be executed between the company and lenders. Pending such execution of instrument, the Company does not have any other charges or satisfaction as on March 31, 2022 which is yet to be registered with ROC beyond the statutory period.

ix) The Company has submitted Stock and Debtors statement to the bank on monthly basis and also in Quarterly Information Statements. The average difference is not material and is less than 1% of amount of stock and debtors, which is on account of valuation, provisions, etc.

x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

(xi) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

xii) The Company does not have any transactions with companies which are struck off.

52 Initial Public Offering (IPO)

The Company has received in-principal approval from Securities Exchange Board of India (SEBI) on the Draft Red Herring Prospectus (DRHP) filed for its Rs. 7600 Million initial public offering (IPO) consisting of fresh issue and offer for sale from existing shareholders. As on March 31, 2022, the company is in process of filing the Red Herring Prospectus (RHP).

53 Subsequant Event Note

On May 30, 2022, the Board of Directors of the Company have proposed a dividend of Rs. 1 per share in respect of the year ended March 31, 2022 subject to the approval of shareholders at the Annual General Meeting.

54 Figures for the previous years have been regrouped/rearranged wherever necessary to confirm current period classification / presentation.

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

OSWAL SUNIL & COMPANY
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New Delhi
Chartered Accountants

Nishant Bhansali
Partner
M.No.: 532900

New Delhi, May 30, 2022

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer

ELIN ELECTRONICS LIMITED
New Delhi

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Avinash Karwa
Company Secretary
M.No.: A20424

New Delhi, May 30, 2022

OSWAL SUNIL & COMPANY
CHARTERED ACCOUNTANTS

71, DARYAGANJ, NEW DELHI-110 002
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INDEPENDENT AUDITORS' REPORT

To the Members of Elin Electronics Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **M/s Elin Electronics Limited** (the "Company" or the "Holding Company") and its subsidiary Elin Appliances Private Limited (the Company and its subsidiary together referred to as "the Group"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), of the consolidated state of affairs of the Company as at 31st March, 2022, its consolidated profit (including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 35 of the Consolidated Financial Statements which describes management's assessment of the impact of the outbreak of COVID-19 pandemic on its business operations and financial results. The said assessment made by the management is highly dependent upon the circumstances as they evolve in subsequent period.

Our opinion is not modified in respect of this matter.

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New Delhi
Chartered Accountants

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Consolidated Financial Statements and our auditor's report thereon. The other information comprising the above documents is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the Consolidated 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.

The respective Board of Directors are responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 system 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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

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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. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

2. As required by Section 143(3) of the Act, based on our audit we report that:

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

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the subsidiary company, none of the directors of the Group's companies is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in *"Annexure A"*.

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New Delhi
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g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company and its subsidiary to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements - Refer Note 39(a) to the Consolidated Financial Statements.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Group did not have any derivative contracts.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the holding Company or its subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding Company or its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the holding company or its subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the holding company or its subsidiaries 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.

(c) Based on the audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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v. As stated in Note 53 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For **Oswal Sunil & Company**
Chartered Accountants
Firm Reg. No. 016520N

CA Nishant Bhansali
Partner
M. No.: 532900
UDIN: 22532900ALPWDA1605

Place: New Delhi
Dated: May 30, 2022

'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of **Elin Electronics Limited** (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

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New Delhi
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

For **Oswal Sunil & Company**
Chartered Accountants
Firm Reg. No. 016520N

OSWAL SUNIL & COMPANY
FRN: 016520N
New Delhi
Chartered Accountants

CA Nishant Bhansali
Partner
M. No.: 532900
UDIN: 22532900ALPWDA1605

Place: New Delhi
Dated: May 30, 2022

ELIN ELECTRONICS LIMITED
Consolidated Balance Sheet as at March 31, 2022
(All amounts are in INR Millions, unless otherwise stated)

Particulars	Note No(s)	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Assets				
Non-current Assets				
(a) Property, Plant and Equipment	3	1,875.47	1,605.15	1,544.22
(b) Capital work-in-progress	4	0.24	0.56	0.28
(c) Right-of-use-assets	36	0.75	0.76	0.78
(d) Intangible assets (other than Goodwill)	5	4.15	6.73	0.94
(e) Financial Assets				
(i) Investments	6	0.58	0.58	0.51
(ii) Other Financial Assets	7	18.67	25.00	18.04
(f) Other non-current assets	9	205.67	188.23	150.33
Total Non Current Assets		**2,105.54**	**1,827.02**	**1,715.10**
Current Assets				
(a) Inventories	10	1,197.15	1,149.93	799.00
(b) Financial Assets				
(i) Investments	11	11.55	135.61	250.80
(ii) Trade receivables	12	1,773.73	1,826.32	908.21
(iii) Cash and cash equivalents	13	40.14	46.76	90.73
(iv) Bank balances other than (iii) above	14	9.21	7.03	12.42
(v) Loans	15	-	-	-
(vi) Other Financial Assets	16	9.72	10.22	10.36
(c) Current Tax Assets (net)	17	7.99	6.26	5.71
(d) Other current assets	18	171.60	73.92	83.96
Total Current Assets		**3,221.09**	**3,256.04**	**2,161.19**
Total Assets		**5,326.63**	**5,083.06**	**3,876.29**
Equity and Liabilities				
Equity				
(a) Equity Share Capital	19	204.20	68.07	68.07
(b) Other Equity	19	2,827.00	2,554.64	2,209.62
Total Equity		**3,031.20**	**2,622.71**	**2,277.68**
Liabilities				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	339.64	371.45	400.66
(ii) Lease liabilities	36	1.91	1.93	1.95
(b) Provisions	21	9.05	8.69	5.46
(c) Deferred tax liabilities (Net)	8	92.22	77.63	55.59
Total Non Current Liabilities		**442.83**	**459.69**	**463.66**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	22	683.67	766.21	298.27
(ii) Lease Liabilities	36	0.05	0.05	0.05
(iii) Trade payables				
- total outstanding dues of micro and small enterprises	23	221.08	194.94	102.63
- total outstanding dues to other than micro and small enterprises	23	771.30	850.86	578.97
(iv) Other financial liabilities	24	93.78	99.46	92.48
(b) Current Tax liabilities (Net)	17	22.69	40.63	6.22
(c) Other current liabilities	25	51.15	40.91	48.25
(d) Provisions	26	8.87	7.60	8.08
Total Current Liabilities		**1,852.60**	**2,000.66**	**1,134.94**
Total Liabilities		**2,295.42**	**2,460.36**	**1,598.61**
Total Equity and Liabilities		**5,326.63**	**5,083.06**	**3,876.29**

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

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

Oswal Sunil & Company Chartered Accountants FRN: 016520N New Delhi

Nishant Bhansali
Partner
M.No.: 532900

New Delhi, May 30, 2022

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Raj Karan Chhajer
Chief Financial Officer

Avinash Karwa
Company Secretary
M.No.: A20424

New Delhi, May 30, 2022

Elin Electronics Limited New Delhi

ELIN ELECTRONICS LIMITED
Consolidated Statement of Profit & Loss for the year ended March 31, 2022
(All amounts are in INR Millions, unless otherwise stated)

	Particulars	Note No(s)	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**INCOME**			
	Revenue from operations	27	10,937.54	8,623.78
	Other Income	28	9.14	25.23
	Total Income (I)		**10,946.68**	**8,649.02**
II	**EXPENSE**			
	Cost of Material Consumed	29	7,924.07	6,168.18
	Purchases of stock-in trade		282.97	119.07
	Change in inventories of finished goods, work-in progress and stock-in trade	30	(50.30)	(40.34)
	Employee benefits expense	31	1,252.44	1,080.23
	Finance Costs	32	127.04	96.76
	Depreciation, Impairment & amortization expenses	3, 5, 36	143.53	118.35
	Other Expenses	33	738.19	631.85
	Total Expenses (II)		**10,417.95**	**8,174.10**
III	**Profit before tax (I - II)**		**528.73**	**474.92**
IV	**Tax expenses**			
	- Current tax		127.94	109.90
	- Deferred Tax		8.98	16.45
			136.92	**126.35**
V	**Profit for the year (III-IV)**		**391.81**	**348.57**
VI	**Other comprehensive Income (OCI):**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of defined benefit plans		22.30	(4.83)
	(ii) Income tax on above item		(5.61)	1.22
	(iii) Gain/(Loss) on Equity Instruments designated through OCI		-	0.07
	Total Other comprehensive income/(loss) for the year		**16.69**	**(3.55)**
VII	**Total comprehensive income for the year (V + VI)**		**408.50**	**345.02**
VIII	**Earnings per share from continuing and total operations attributable to the equity holders of the Company [face value of INR 5/- each]**	34		
	- Basic and diluted (amount in INR)		**9.59**	**8.53**

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

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

OSWAL SUNIL & COMPANY • Chartered Accountants • FRN: 016520N New Delhi

Nishant Bhansali
Partner
M.No.: 532900

New Delhi, May 30, 2022

For and on behalf of the Board

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Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
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Chief Financial Officer

Avinash Karwa
Company Secretary
M.No.: A20424

ELIN ELECTRONICS LIMITED New Delhi

New Delhi, May 30, 2022

ELIN ELECTRONICS LIMITED
Consolidated Statement of Cash Flows for the year ended March 31, 2022
(All amounts are in INR Millions, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Cash flow from Operating Activities :		
Net Profit before taxes	**528.73**	**474.92**
Adjustments for :		
Depreciation, Impairment and Amortization expenses	143.53	118.35
(Gain)/Loss on disposal of property, plant and equipment	(1.40)	3.01
Fair value (gain)/loss on investments	(5.87)	(20.30)
Impairment loss, Bad Debts, advances and miscellaneous balances written off	(0.42)	(0.62)
Dividend and interest income classified as investing cash flows	(1.51)	(2.97)
Finance costs (net)	127.04	96.76
	261.37	**194.23**
Change in operating assets and liabilities :		
(Increase)/ Decrease in Trade and other receivables	53.01	(919.10)
(Increase)/ Decrease in Inventories	(47.22)	(350.93)
Increase/ (Decrease) in Trade payables	(53.43)	365.81
(Increase)/ Decrease in other financial assets	4.65	(1.82)
(Increase)/ Decrease in other non-current assets	(17.43)	(37.91)
(Increase)/ Decrease in other current assets	(39.50)	10.05
Increase/ (Decrease) in provisions	23.94	(2.08)
Increase/ (Decrease) in other current liabilities	4.57	(0.36)
	(71.43)	**(936.34)**
Cash generated from operations	**718.67**	**(267.20)**
Income taxes paid/refund (net)	(147.61)	(69.24)
Net cash inflow from /(used in) operating activities	**571.06**	**(336.43)**
II Cash flow from Investing activities		
(Payments) for property, plant and equipment including CWIP	(423.97)	(196.79)
(Payments) for Intangible Assets	-	(7.55)
Proceeds from grant on property, plant and equipment	11.32	-
Proceeds from sale of property, plant and equipment	3.11	16.00
Proceeds/(Payments) from sale of Investment (net)	129.92	135.50
Dividends received	0.27	1.07
Interest received	1.24	2.30
Net Cash flow from / (used in) investing activities	**(278.11)**	**(49.48)**
III Cash flow from Financing Activities		
Proceeds from borrowings	99.10	615.71
(Repayment) of borrowings	(213.44)	(176.98)
Share issue expenses / Expenses towards offer for sale of shares	(58.17)	-
(Repayment) of lease liabilities	(0.17)	(0.17)
	(172.68)	438.56
Less: Finance Costs paid	(126.89)	(96.62)
Net Cash flow from/ (used in) financing activities	(299.57)	341.94
IV Net increase/(decrease) in cash & cash equivalents (I + II + III)	**(6.62)**	**(43.97)**
V Cash and cash equivalents at the beginning of the financial year	46.76	90.73
VI Cash and cash equivalents at end of the year	**40.14**	**46.76**

Notes:

1 The Consolidated Statement of Cash flow has been prepared under the indirect method as set-out in the Ind AS - 7 "Statement of Cash Flow" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

2 Figures in bracket indicate cash outflow.

3 Cash and cash equivalents (refer Note 13) comprise of the followings:

Cash on hand	1.68	0.98
Cheques in hand	-	0.00
Balances with Scheduled banks in Current accounts	38.46	45.77
Balances per statement of cash flows	**40.14**	**46.76**

4 **Analysis of movement in borrowings**

Borrowings at the beginning of the year	1,137.66	698.93
Movement due to cash transactions as per the Statement of Cash Flows	(114.34)	438.73
Borrowings at the end of the year	**1,023.32**	**1,137.66**

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

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

OSWAL SUNIL & COMPANY CA FRN: 016520N New Delhi Chartered Accountants

Nishant

Nishant Bhansali
Partner
M.No.: 532900

New Delhi, May 30, 2022

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Raj Karan Chhajer
Chief Financial Officer

ELIN ELECTRONICS LIMITED New Delhi

Avinash Karwa

Avinash Karwa
Company Secretary
M.No.: A20424

ELIN ELECTRONICS LIMITED
Consolidated Statement of Changes in Equity
(All amounts are in INR Millions, unless otherwise stated)

A. Equity Share Capital

Particulars	Amount #
Balance as at April 1, 2020	**68.07**
Changes in equity share capital	-
Balance as at March 31, 2021	**68.07**
Split of Shares into Face Value of Rs. 5 each (Refer Note 19)	-
Bonus shares issued of Rs. 5 each during the year (Refer Note 19)	136.13
Balance as at March 31, 2022	**204.20**

Net off elimination on consolidation due to equity shares being held by subsidiary company

B. Other equity

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans	
Balance as at April 01, 2020	**59.55**	**212.17**	**503.77**	**1,401.38**	**0.21**	**32.53**	**2,209.62**
Total Comprehensive Income for the year	-	-	-	348.57	0.07	(3.62)	345.02
Transfer to retained earnings	-	-	50.00	(50.00)	-	-	-
Balance as at March 31, 2021	**59.55**	**212.17**	**553.77**	**1,699.95**	**0.28**	**28.92**	**2,554.64**
Total Comprehensive Income for the year	-	-	-	391.81	-	16.69	408.50
Transfer to retained earnings	-	-	50.00	(50.00)	-	-	-
Utilized for issue of bonus shares	-	5.78	(141.91)	-	-	-	(136.13)
Balance as at March 31, 2022	**59.55**	**217.95**	**461.85**	**2,041.76**	**0.28**	**45.61**	**2,827.00**

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

Nishant

Nishant Bhansali
Partner
M.No.: 532900

New Delhi, May 30, 2022

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

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Whole Time Director
DIN: 00354700

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Chief Financial Officer

Avinash Karwa
Company Secretary
M.No.: A20424

New Delhi, May 30, 2022

1. Corporate information

Elin Electronics Limited ('the Company' or the "Parent Company") was incorporated in India on March 26, 1982 under the provisions of the Companies Act, 2013 (CIN U29304WB1982PLC034725). The Company is engaged in the business of Electronics Manufacturing Services. The registered office of the company is located at 143, Cotton Street, Kolkata, West Bengal-700007 and manufacturing plants in the state of Uttar Pradesh, Himachal Pradesh and Goa.

The Consolidated Financial Statement comprise of Elin Electronics Limited and its subsidiary, Elin Appliances Private Limited, (collectively, 'the Group').

The Consolidated Financial Statements is approved for issue by the Company's Board of Directors in their meeting held on May 30, 2022.

Application of new and revised Ind -AS

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 to the extent applicable have been considered in preparing these Consolidated Financial Statements.

Recent accounting pronouncements:-

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules 2022, applicable from April 01, 2022 are Ind AS 103 – Reference to Conceptual Framework, Ind AS 16 – Proceeds from intended use, Ind AS 37 – Oraneous Contracts – Cost of fulfilling a Contract, Ind AS 109 – Annual Improvements to Ind AS (2021). The Group does not expect the amendment to have any significant impact in its Consolidated Financial statement.

2. Significant accounting policies

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

2.1 Basis of Preparation

2.1.1 Statement of compliance

The Consolidated Financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013 ("the Act") and the accounting principles generally accepted in India. The Group has consistently applied accounting policies to all periods. On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013 and the amendments are applicable for financial periods commencing from April 1, 2021. The Group has evaluated the effect of the amendments on its financial statements and complied with the same.

Accordingly, the Group has prepared these Consolidated Financial statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 and the Statement of Changes in Equity for the year ended as on that date, and Accounting Policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial statements').

SUNIL & COMPANY OSWAL FRN 010520N New Delhi Chartered Accountants

ELIN ELECTRONICS LIMITED New Delhi

(Amount in INR million, unless otherwise stated)

The Consolidated Financial statements up to and for the year ended 31 March 2021 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended), as notified under section 133 of the Act ("Previous GAAP") and other relevant provisions of the Act. The Group has migrated to Ind AS in the current year as the parent company is in process of listing of its equity shares on stock exchanges. The Consolidated Financial statements for the year ended 31 March 2022 are the first Consolidated Financial statements of the Group re-stated under Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group has presented an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance & cash flows is included in Note 48.

2.1.2 Historical Cost Convention

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

Items	Measurement basis
Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities (including derivative)	Fair value
Defined benefits liability	Present value of defined benefits obligations

Functional and presentation currency

Items included in the Consolidated Financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian rupee (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest million, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than INR 1,00,000 have been rounded and are presented as INR 0.00 Millions in the Consolidated Financial Statements.

2.2 Basis of Consolidation

The Consolidated Financial Statements of the Company and its subsidiary is combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra- group balances and intra-group transactions. Profits or losses resulting from intra-group transactions are eliminated in full. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The carrying amount of the Company's investment in subsidiary is offset (eliminated) against the Parent Company's portion of equity in subsidiary.

The detail of consolidated entity as follows:

Name of Subsidiary	Country of Incorporation	Percentage of ownership As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
Elin Appliances Private Limited	India	100%	100%	100%

2.3 Current vs non-current classification

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

An asset is treated as current when it is:

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

OSWAL SUNIL & COMPANY FRN:016520N New Delhi Chartered Accountants

ELIN ELECTRONICS LIMITED New Delhi

The Group classifies all other assets as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

2.4 Business combination

Ind AS 103, Business Combinations, prescribes significantly different accounting for business combinations which are not under common control and those under common control.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method.

The pooling of interest method is considered to involve the following:

(a) The assets and liabilities of the combining entities are reflected at their carrying amounts.
(b) No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonies accounting policies.
(c) The financial information in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the Consolidated Financial Statements, irrespective of the actual date of the business combination.
(d) The identity of the reserves has been preserved and appear in the financial information of the transferee in the same form in which they appeared in the financial information of the transferor.
(e) The difference, if any, between the consideration and the amount of share capital of the acquiredentity is transferred to capital reserve.

2.5 Property plant and equipment

Recognition and Initial Measurement

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

Cost of asset includes:

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

SUNIL & COMPANY OSWAL FRN New Delhi Chartered Accountants

ELIN ELECTRONICS LIMITED New Delhi

(Amount in INR million, unless otherwise stated)

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

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

Subsequent measurement

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

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 1 April 2020, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Depreciation and useful lives

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

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

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

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

Derecognition

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

OSWAL SUNIL & COMPANY * Chartered Accountants * FRN 016520N New Delhi

ELIN ELECTRONICS LIMITED * New Delhi

2.6 Intangible assets

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

2.7 Impairment of non-financial assets

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

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

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

2.8 Inventories

a) Inventories (which comprise traded goods) are valued at the lower of cost and net realizable value.Cost includes cost of purchase and other costs incurred in bringing the inventories to their presentlocation and condition. Cost is determined on First in First out (FIFO) basis.

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

2.9 Revenue recognition

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

OSWAL SUNIL & COMPANY Chartered Accountants FRN: [illegible]20N New Delhi

ELIN ELECTRONICS LIMITED New Delhi

a) Sale of products and Services

Revenue from sale of products is recognized at the point in time when control of the goods istransferred to the customer at the time of shipment to or receipt of goods by the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has concluded that it is the principal in its revenue arrangements as it typically controlsthe goods or services before transferring them to the customer.

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

b) Other Revenue

- **Interest income:** Interest income is recognised as interest accrues using the effective interest method ("EIR") that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.
- **Dividends:** Dividend income is recognised when the right to receive payment is established.
- **Rental income:** Rental income arising from operating leases or on investment properties is accounted for on a straight-line basis over the lease terms & included in other non-operating income in Statement of Profit and Loss.
- **Insurance Claims:** Insurance claims are accounted for as and when admitted by the concerned authority.

c) Contract balances

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

d) Right of return

The Group provides a customer with a right to return in case of any defects or on grounds of quality. The Group uses the expected value method to estimate the goods that will not be returned because thismethod best predicts the amount of variable consideration to which the Group will be entitled. Therequirements in Ind AS 115 on constraining estimates of variable consideration are also applied inorder to determine the amount of variable consideration that can be included in the transaction price.

The Group has adopted Ind AS 115 from April 01, 2020 using the modified retrospective approach by applying Ind AS 115 to all the contracts that are not completed on April 01, 2020. The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the Group.

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

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2.10 Taxes

a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid tothe taxation authorities in accordance with relevant tax regulations. Current tax is determined as the tax payable in respect of taxable income for the period and is computed in accordance with relevant tax regulations. Current tax is recognized in Consolidated Statement of Profit and loss except to the extent it relates to items recognized outside profit or loss in which case it is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in relation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes current tax payable where appropriate.

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

b) Deferred tax

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

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset currenttax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.11 Foreign currencies

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

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

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

2.12 Employee benefit

a) Short-term employee benefits

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

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b) Post-employment benefits

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

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

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

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

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

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

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

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

c) Other long-term employee benefits

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

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

2.13 Cash and cash equivalents

Cash and cash equivalent include cash on hand, cash at banks and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which aresubject to an insignificant risk of change in value.

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

2.14 Borrowing Cost

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

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

2.15 Provisions, contingent assets and contingent liabilities

a) Provisions

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

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

b) Contingent liabilities

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

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

c) Contingent assets

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

2.16 Leases

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

a) Group as a lessee

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

i) **Right-of-use assets**

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred,and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated over the shorter of the lease term and theestimated useful lives of the assets.

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

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

ii) Lease liabilities
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine suchlease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in financial liabilities

iii) Short term lease and leases of low value assets
The Group applies the short-term lease recognition exemption to its short-term leases contracts including lease of residential premises and offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered tobe low value. Lease payments on short-term leases and leases of low-value assets are recognized asexpense on a straight-line basis over the lease term.

iv) Single discount rate
The Group has applied the available practical expedient with respect to single discount rate whereinsingle discount rate is used for portfolio of leases with reasonably similar characteristics.

The Group has given adjustments for lease accounting in accordance with Ind AS 116 from April 01, 2020, and all the related figures have been reclassified/ reclassified to give effect to the requirements of Ind AS 116. The application of Ind AS 116 has resulted into recognition of 'Right-of-Use' asset with a corresponding Lease Liability in the consolidated statement of assets and liabilities.

The Group has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date when applying Ind AS 116 initially:

a. lease liability is recognized, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.
b. a right of use assets is recognized at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the consolidated statement of assets and liabilities immediately before the date of initial application

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b) Group as a lessor

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

2.17 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables issued are initially recognised whenthey are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

a) Financial assets

Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus s transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in the Consolidated Statement of Profit and Loss.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at
- amortised cost;
- FVOCI — equity investment; or
- FVTPL

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that aresolely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI — equity investment). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income ('OCI').There is no recycling of the amounts from OCI to the Consolidated Statement of Profit andLoss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

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

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

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

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

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interestincome, are recognised in the Consolidated Statement of Profit and Loss.

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

Impairment of financial assets
Expected credit loss (ECL) is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e.,all cash shortfalls), discounted at the original EIR.

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit riskexposure:
(a) Financial assets that are measured at amortized cost e.g., deposits, trade receivables and bank balance.
(b) Financial assets that are measured as at FVTOCI
(c) Lease receivables under Ind AS 116
(d) Trade receivables or any contractual right to receive cash or another financial asset that resultfrom transactions that are within the scope of Ind AS 115

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

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

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

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

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

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

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

(i) Financial liabilities at fair value through profit or loss
The Group has not designated any financial liabilities at FVTPL.

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

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

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

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

2.18 Fair value measurement
The Group measures financial instruments at fair value at each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderlytransaction 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:

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to beremeasured or re-assessed as per the Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Above is the summary of accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.19 GST Credit

The GST credit available on purchase of raw materials, other eligible inputs and capital goods is adjusted against taxes payable. The unadjusted GST credit is shown under the head "Other Current Assets".

2.20 Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events ofbonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a laterdate. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the Consolidated Financial statements by the Board of Directors.

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2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Group has been identified as being the chief operating decision maker by the Management of the Group.

The business of the Group falls within a single line of business i.e. electronics manufacturing services. All other activities of the Group revolve around its main business. Hence, no separate reportable primary segment.

2.22 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all stipulated conditions. Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income. Grants related to assets are reduced from the carrying amount of the asset. Such grants are recognized in the Consolidated Statement of Profit and Loss over the useful life of the related depreciable asset by way of reduced depreciation charge.

2.23 Consolidated Statement of Cash Flows

The consolidated statements of cash flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Group are segregated.

2.24 Significant accounting estimates and judgments

The estimates used in the preparation of the Consolidated Financial Statements of each period/year presented are continuously evaluated by the Group and are based on historical experienceand various other assumptions and factors (including expectations of future events), that the Group believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Group regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Consolidated Financial Statements in the period in which they become known.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts ofassets and liabilities within the next financial year, are described below. Actual results could differ from these estimates.

Significant judgements

- ***Allowances for uncollected trade receivables***

  Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems not becollectible.

- ***Contingencies***

  In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes Although there can be no assurance of the final outcome of legal proceedings in which the Group is involved. it is not expected that such contingencies will have material effect on its financial position of probability.

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- ***Impairment of other financial assets***
The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation., based on the Group's past history, existing market conditions as wellas forward looking estimates at the end of each reporting period.

- ***Taxes***
Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes current tax payable, based on reasonable estimates. The amount of such current tax payable is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the domicile of the Group.

- ***Recoverability of deferred taxes***
In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.
Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxableprofit will be available against which the losses can be utilized. Significant management judgementis required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- ***Impairment of non-financial assets***
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair valueless costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ('DCF') model.

Significant estimates

- ***Defined benefit plans***
The costs of post-retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- ***Useful lives of property, plant and equipment and intangible assets***
The Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. At the end of the current reporting period, the management determined that the useful lives of property, plant and equipment and intangible assets at which they are currently being depreciated represent the correct estimate of the lives and need no change.

- ***Leases - Estimating the incremental borrowing rate***
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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- ***Determining the lease term of contracts with renewal and termination options — Group as lessee***

  The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

  The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction ofsignificant leasehold improvements or significant customization to the leased asset).

- ***Fair value measurement of financial instruments***

  When the fair values of financial assets and financial liabilities recorded in the consolidated statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree ofjudgement 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.

2.25 Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities, which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

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

3 Property, Plant and Equipment

Particulars	Plant and Machinery	Building	Dies, Moulds & Tools	Electrical Installations	Furniture and Fixtures	Office Equipment's	Computers	Vehicles	Land (Leasehold)	Land (Freehold)	Total
Gross Carrying Value											
Balance as at April 1, 2020 (Deemed Cost)	**1,369.39**	**738.05**	**187.22**	**153.15**	**47.35**	**11.37**	**30.62**	**52.45**	**104.64**	**21.30**	**2,715.55**
Additions	127.60	8.02	37.24	4.69	6.01	3.05	4.97	4.93	-	-	196.51
Disposals / Adjustments	50.87	-	11.24	0.44	0.06	0.19	0.57	3.65	-	-	67.03
Balance as at March 31, 2021	**1,446.12**	**746.07**	**213.22**	**157.40**	**53.30**	**14.23**	**35.02**	**53.72**	**104.64**	**21.30**	**2,845.03**
Additions	149.41	145.13	100.65	14.05	1.01	0.94	5.98	7.14	-	-	424.29
Disposals / Adjustments	6.49	6.14	1.71	3.59	0.21	-	0.23	2.18	-	-	20.56
Balance as at March 31, 2022	**1,589.03**	**885.05**	**312.15**	**167.86**	**54.10**	**15.17**	**40.77**	**58.68**	**104.64**	**21.30**	**3,248.77**
Accumulated depreciation and impairment											
Balance as at April 1, 2020 (Deemed Cost)	**603.45**	**286.92**	**80.58**	**92.95**	**30.75**	**7.75**	**23.63**	**31.38**	**13.93**	**-**	**1,171.33**
Depreciation & Impairment	68.75	16.76	10.10	7.81	2.37	1.11	3.70	3.83	2.14	-	116.58
Disposals / Adjustments	42.95	-	0.39	0.41	0.06	0.19	0.55	3.48	-	-	48.03
Balance as at March 31, 2021	**629.25**	**303.68**	**90.28**	**100.36**	**33.07**	**8.66**	**26.78**	**31.74**	**16.07**	**-**	**1,239.88**
Depreciation & Impairment	84.60	17.32	16.13	8.12	2.60	1.49	4.26	4.28	2.14	-	140.94
Disposals / Adjustments	1.69	-	0.23	3.36	-	-	0.20	2.06	-	-	7.53
Balance as at March 31, 2022	**712.16**	**321.00**	**106.19**	**105.13**	**35.66**	**10.15**	**30.84**	**33.96**	**18.21**	**-**	**1,373.29**
Net Carrying Value											
Balance as at April 1, 2020 (Deemed Cost)	765.94	451.14	106.64	60.20	16.60	3.63	6.99	21.06	90.71	21.30	1,544.22
Balance as at March 31, 2021	816.87	442.39	122.94	57.04	20.24	5.57	8.24	21.98	88.57	21.30	1,605.15
Balance as at March 31, 2022	**876.87**	**564.06**	**205.97**	**62.73**	**18.43**	**5.02**	**9.94**	**24.72**	**86.43**	**21.30**	1,875.47

Notes:

1. The Group has elected Ind AS 101 exemption to continue with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition. Refer note 48 for a reconciliation of deemed cost as considered by the Company.

2. The Company had received approval to get Capital Subsidies for additional investments in manufacturing plant at Plot No.C-142, 143, 144, 144/1, 144/2, Site No.1, BullandShahar Road, Ghaziabad, Uttar Pradesh , 201009 under Modified Special Incentive Package Scheme (MSIPS) notified vide M-SIPS Policy Gazette Notification No. 175 dated 27-07-2012 and revised Notification dated 03-08-2015 as modified from time to time by the Ministry of Electronics and Information Technology, Department of Information Technology, vide Approval Letter No. 27(215)/2015-IPHW dt.22-11-2017. Also, the Company is in process of availing capital subsidy under Industrial Development Scheme 2017 of Department for Promotion of Industries & Internal Trade, Himachal Pradesh. Under the said schemes, the Company has submitted its claims before the respective authorities for sanctioning the claim. The effect of other claims has not been adjusted to the cost of respective assets, in the absence of reasonable assurance that the claim will be received in full, as submitted.

3. During the current year, the company has received first claim of Rs. 11.32 Million vide Approval Letter No. 27(29)/2013-IPHWA dated 03-07-2014 and Application Sanction No W-37/6/2O22-IPHW dated 17-03-2022 which has been adjusted with the carrying value of respective Property Plant and Equipment.

4. Refer Note 20 and 22 for details of assets pledged.

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4 Capital work-in-progress

Particulars	Buildings	Plant & Machinery	Total
Balance as at April 01, 2020	**0.28**	**-**	**0.28**
Additions	0.56	-	0.56
Disposals / Adjustments	(0.28)	-	(0.28)
Balance as at March 31, 2021	**0.56**	**-**	**0.56**
Additions	-	0.24	0.24
Disposals / Adjustments	(0.56)	-	(0.56)
Balance as at March 31, 2022	**-**	**0.24**	**0.24**

4.1 Capital work-in-progress ageing schedule

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Balance as at April 1, 2020	-	0.28	-	-	**0.28**
Balance as at March 31, 2021	0.56	-	-	-	**0.56**
Balance as at March 31, 2022	**0.24**	**-**	**-**	**-**	**0.24**

4.2 As on the date of the financial statement, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

5 Intangible Assets (other than goodwill)

Particulars	Computer software
Gross Carrying Value	
Balance as at April 1, 2020 (Deemed Cost)	**7.73**
Additions	7.55
Disposals / Adjustments	-
Balance as at March 31, 2021	**15.27**
Additions	-
Disposals / Adjustments	-
Balance as at March 31, 2022	**15.27**
Accumulated amortization and impairment	
Balance as at April 1, 2020 (Deemed Cost)	**6.78**
Depreciation for the year	1.76
Disposals / Adjustments	-
Balance as at March 31, 2021	**8.54**
Depreciation for the year	2.58
Disposals / Adjustments	-
Balance as at March 31, 2022	**11.12**
Net Carrying Value	
Balance as at April 1, 2020 (Deemed Cost)	0.94
Balance as at March 31, 2021	6.73
Balance as at March 31, 2022	**4.15**

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Notes to Consolidated Financial Statements for the year ended March 31, 2022
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6 Non-Current Financial Assets - Investments

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unquoted			
Investments - Non-Trade			
Investments in Equity instruments	0.58	0.58	0.51
Total	**0.58**	**0.58**	**0.51**

6.1 Detail of Non-Current Investments

Particulars	Elcina Electronics Cluster Pvt Ltd (Face Value Rs. 10/- each)		Shivalik Waste Management Pvt Ltd (Face Value Rs. 10/- each)		Total Amount
	No. of Shares	Amount	No. of Shares	Amount	
Financial assets measured at FVTOCI					
(i) Investment in equity instruments - Equity Shares					
As at April 01, 2020	10,000	-	20,000	0.51	**0.51**
As at March 31, 2021	10,000	-	20,000	0.58	**0.58**
As at March 31, 2022	10,000	-	20,000	0.58	**0.58**

6.2. Additional Disclosures:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Aggregate carrying value of unquoted investments	0.58	0.58	0.51

7 Other Financial Assets - Non Current

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unsecured, Considered Good			
Bank deposits with more than 12 months maturity *	-	6.86	0.28
Security Deposit	18.67	18.14	17.76
Total	**18.67**	**25.00**	**18.04**

* Above bank deposits are held as margin money/securities with banks.

8 Deferred tax assets / (liabilities) (net)

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for the financial reporting purposes and the amounts used for income tax purposes. Significant component of the Group's net deferred income tax are as follows:-

Particulars	Defined benefit obligation	Property, plant and equipment	Provisions & others	MAT Entitlement	Total
As at 01 April, 2020	**3.48**	**(75.63)**	**9.76**	**6.80**	**(55.59)**
(Changed)/Credited:					
- to Statement of profit and loss	(0.59)	(13.35)	(2.50)	-	(16.45)
- to other comprehensive income	1.22	-	-	-	1.22
- to current tax liability	-	-	-	(6.80)	(6.80)
As at 31 March, 2021	**4.10**	**(88.98)**	**7.25**	**-**	**(77.63)**
(Changed)/Credited:					
- to Statement of profit and loss	4.08	(17.94)	4.88		(8.97)
- to other comprehensive income	(5.61)	-	-		(5.61)
As at 31 March, 2022	**2.57**	**(106.92)**	**12.13**	**-**	**(92.22)**

9 Other Non-Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unsecured, Considered Good			
Capital Advances	205.67	188.23	150.33
Total	**205.67**	**188.23**	**150.33**

10 Inventories (at cost or net realisable value whichever is lower)

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Inventories (As Certified and valued by the management)			
Raw Materials	761.34	772.35	455.55
Raw Materials in transit	5.04	2.40	9.11
	766.38	**774.75**	**464.66**
Work-in-progress	273.70	267.02	186.93
Finished goods	131.62	88.00	127.74
Stores and Spares	25.46	20.16	19.66
Total	**1,197.15**	**1,149.93**	**799.00**

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11 Current Financial Assets - Investments

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unquoted Investments			
(i) Investments in Mutual Funds	11.55	135.61	250.80
Total	**11.55**	**135.61**	**250.80**

11.1 Detail of Current Financial Assets - Investments

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1, 2020	
	Units	Amount	Units	Amount	Units	Amount
Financial assets carried at fair value through statement of profit or loss (FVTPL)						
Investments in mutual funds - Unquoted Investment						
HDFC Group Unit Linked Plan Option B	1,60,152.63	11.55	1,59,938.09	11.09	1,59,721.61	10.50
L & T Tax Advantage Fund - Regular Dividend	-	-	1,01,936.80	2.29	1,01,936.80	1.45
L & T Tax Advantage Fund - Growth	-	-	52,511.50	3.53	52,511.50	2.06
L & T Tax Advantage Fund - Dividend Payout	-	-	2,01,296.35	4.52	2,01,296.35	2.86
Axis Banking & Psu Debt Fund-Regular Growth	-	-	55,440.71	114.17	52,941.00	101.19
HDFC Arbitrage Fund - Monthly-Dividend	-	-	-	-	3,99,443.01	4.32
L & T Low Duration Fund- Growth	-	-	-	-	4,35,100.16	9.13
ICICI Prudential Floating Interest Fund - Growth	-	-	-	-	82,402.51	24.74
ICICI Prudential Bluechip Fund - Growth	-	-	-	-	1,14,479.52	3.64
ICICI Prudential Ultra Short Term Fund - Growth	-	-	-	-	5,35,642.58	10.91
Axis Banking & PSU DBT Fund	-	-	-	-	7,825.79	14.96
Axis Bluechip Fund	-	-	-	-	1,65,234.63	4.30
Nippon India Arbitrage Fund - Monthly Dividend	-	-	-	-	55,26,363.41	58.97
Nippon India Ultra Short Duration Fund- Growth Option-Growth Plan	-	-	-	-	611.46	1.77
Nippon India Ultra Short Duration Fund- Segregated Portfolio1- Growth Plan	-	-	-	-	611.46	0.02
Total Current Investments at FVTPL		**11.55**		**135.61**		**250.80**
Aggregate carrying value of unquoted investments		11.55		135.61		250.80
Aggregate amount of impairment in value of investments		-		-		-

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Notes to Consolidated Financial Statements for the year ended March 31, 2022

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

12 Current Financial Assets - Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Trade Receivables			
Unsecured, considered good	1,775.89	1,828.40	909.31
Less: expected credit loss allowance	(2.17)	(2.08)	(1.10)
Total	**1,773.73**	**1,826.32**	**908.21**

Movement in the expected credit loss allowance of trade receivables are as follows:

Balance at the Beginning of the year	2.08	1.10	1.99
Add: Provided during the year	0.08	0.99	0.83
Less: Amount written off	-	0.00	1.72
Balance at the end of the year	**2.17**	**2.08**	**1.10**

12.1 Trade Receivables Ageing Schedule, on due basis:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Undisputed Trade receivables – considered good			
Not Due	1,515.48	1,527.95	645.58
Less than 6 months	239.89	295.98	256.83
6 months - 1 year	16.59	2.20	5.06
1 -2 years	2.49	1.89	1.73
2 -3 years	1.45	0.36	0.09
More than 3 years	-	0.03	0.01
Total	**1,775.89**	**1,828.40**	**909.31**

12.2 There are no disputed balances of Trade Receivables as on March 31'2022, March 31'2021 and April 01'2020.

12.3 In determining the allowance for trade receivables the Group has used practical expedients based on financial condition of the customers, ageing of the customer receivables & over-dues, availability of collaterals and historical experience of collections from customers. The concentration of risk with respect to trade receivables is reasonably low as most of the customers are large corporate organisations though there may be normal delays in collections.

13 Current Financial Assets - Cash & cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Cash & Cash Equivalents			
Balance with banks;			
- in current account	38.46	45.77	88.32
Cheques, drafts on hand;	-	0.00	0.19
Cash on hand;	1.68	0.98	2.22
Total	**40.14**	**46.76**	**90.73**

14 Current Financial Assets - Other Bank Balances

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Bank Deposits having maturity less than 12 months *	9.21	7.03	12.42
Total	**9.21**	**7.03**	**12.42**

* Above Bank deposits are held as margin money/securities with banks.

15 Current Financial Assets - Loans

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Loans receivables - Unsecured			
Which have significant increase in credit risk	-	5.83	5.83
Less: expected credit loss allowance	-	(5.83)	(5.83)
Total	-	-	-

Movement in the expected credit loss allowance of loans are as follows:

Balance at the Beginning of the year	5.83	5.83	-
Add: Provided during the year	-	-	5.83
Less: Amount written off / Received back	5.83	-	-
Balance at the end of the year	-	**5.83**	**5.83**

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16 Current Financial Assets - Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unsecured, considered good			
Accrued Interest on Bank Deposits	0.22	0.29	0.69
Loans & Advances to Staff & Workers	9.49	9.93	9.67
Total	**9.72**	**10.22**	**10.36**

17 Current Tax Assets / Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Current Tax Assets			
Advance Income Tax / TDS (net of provisions)	7.99	6.26	5.71
Current Tax Liabilities			
Income Tax Provisions (net of Advance Income Tax / TDS)	22.69	40.63	6.22

18 Other Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Unsecured, considered good			
Indirect tax recoverable	10.53	5.98	17.27
Commercial Tax under Appeal	2.07	2.05	1.49
Goods & Service Tax Under Appeal	1.68	1.68	0.64
Provident Fund Under Appeal	1.17	1.17	1.17
Income Tax Under Appeal	6.14	2.17	2.17
Advance to Suppliers	41.64	34.21	27.97
Unamortised share issue expenses (refer note below)	58.17	-	-
Export Incentive receivables	1.99	0.83	2.44
Prepaid Expenses	48.21	25.83	30.83
Total	**171.60**	**73.92**	**83.96**

Note: The Holding Company has incurred certain expenses towards proposed Initial Public Offering of its equity shares. The Holding Company expects to recover certain amounts from the shareholders and the balance amount would be charged-off to securities premium account in accordance with section 52 of the Companies Act, 2013 upon the shares being issued.

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19 A. Share Capital

(i) Authorised Share Capital

Particulars	Equity Share Capital	
	No of Shares	Amount
As at April 1, 2020	**1,02,50,000**	**102.50**
Increase during the year	-	-
As at March 31, 2021	**1,02,50,000**	**102.50**
Increase during the year #	8,97,50,000	397.50
As at March 31, 2022	**10,00,00,000**	**500.00**

Pursuant to a resolution of Board of Directors dated September 6, 2021 and the shareholders meeting dated September 30, 2021, the Authorized Share Capital of the Holding Company has been increased from Rs. 102.50 millions consisting of 1,02,50,000 Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 500.00 millions consisting of 10,00,00,000 Equity Shares of Rs. 5/- each (Rupees Five only).

(ii) Shares issued, subscribed and fully paid-up

Particular	Equity Share Capital	
	No of Shares	Amount #
As at April 1, 2020	**68,06,700**	**68.07**
Add: Shares issued during the year	-	-
Add: Bonus shares issued during the year	-	-
Less: Share bought back during the year	-	-
As at March 31, 2021	**68,06,700**	**68.07**
Add: Shares issued during the year	-	-
Add: Split of Shares into Face Value of Rs. 5 each	68,06,700	-
Add: Bonus shares issued in the ratio of 2 for every 1 share held	2,72,26,800	136.13
Less: Share bought back during the year	-	-
As at March 31, 2022	**4,08,40,200**	**204.20**

Net off elimination on consolidation due to equity shares being held by subsidiary company

(iii) Terms/right attached to Equity Shares

The Group has one class of shares having a face value of Rs. 5/- per equity share (Previous Year ended March 31 2021, 2020 is Rs. 10/- per equity share). All equity shares rank equally with regard to dividends and share in the Group's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Shareholders are entitled to one vote per equity share held in the Group. On winding up of the Group, the holders of equity shares will be entitled to receive the residual assets of the Group, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iv) Shares Split & Bonus Issue

Pursuant to a resolution passed by our Board on September 6, 2021 and a resolution of shareholders dated, September 30, 2021, each equity share of face value of Rs. 10 each has been split into two equity shares of face value of Rs. 5 each. Accordingly, the issued, subscribed and paid up capital of the Company was subdivided from 68,06,700 equity shares of face value of Rs. 10 each to 1,36,13,400 equity shares of face value of Rs. 5 each.

The Board of Directors pursuant to a resolution dated September 6, 2021 and the shareholders special resolution dated September 30, 2021 have approved the issuance of two bonus equity shares of face value Rs. 5 each for every one existing fully paid up equity share of face value Rs. 5 each and accordingly 2,72,26,800 bonus equity shares were issued and allotted in accordance with the Section 63 of the Companies Act, 2013.

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(v) Shareholders holding more than 5 percent of Equity Shares

Name of Shareholder	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Suman Sethia	39,60,000	6,60,000	6,60,000
	9.30%	*9.30%*	*9.30%*
M.L.Sethia	-	-	6,21,650
	0.00%	*0.00%*	*8.76%*
Prem Lata Sethia	28,02,000	4,67,000	4,67,000
	6.58%	*6.58%*	*6.58%*
Kishor Sethia	36,44,928	6,07,488	-
	8.56%	*8.56%*	*0.00%*
Kamal Sethia	22,29,618	3,71,603	-
	5.24%	*5.24%*	*0.00%*
Gaurav Sethia	31,43,004	5,23,834	-
	7.38%	*7.38%*	*0.00%*

(vi) Shareholding of Promoters

Promoter Name	Shares held at Mar 31' 2022		% Change during the year ended Mar 31' 2022
	Nos. of Shares	% of Total Shares	
M.L.Sethia	-	*0.00%*	-
Kamal Sethia	22,29,618	*5.24%*	-
Suman Sethia	39,60,000	*9.30%*	-
Kishor Sethia	36,44,928	*8.56%*	-
Vasudha Sethia	10,80,900	*2.54%*	-
Gaurav Sethia	31,43,004	*7.38%*	-
Vinay Kumar Sethia	6,33,300	*1.49%*	-
Sanjeev Sethia	9,15,600	*2.15%*	-
Sumit Sethia	8,64,450	*2.03%*	-

B. Other Equity

Particulars	As at Mar 31, 2022	As at March 31, 2021	As at April 1, 2020
(i) Retained Earnings	2,041.76	1,699.95	1,401.38
(ii) Other Reserves *			
a. Securities Premium	59.55	59.55	59.55
b. Capital Reserve (on consolidation)	217.95	212.17	212.17
c. General Reserve	461.85	553.77	503.77
(iii) Components of Other Comprehensive Income			
a. Changes in fair value of FVOCI equity instruments	0.28	0.28	0.21
b. Remeasurement of defined benefit plans	45.61	28.92	32.53
Total	**2,827.00**	**2,554.64**	**2,209.62**

*** Brief description of Other Reserves:**

a. Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

b. General reserve is the free reserve created out of the retained earnings of the Group. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

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(i) Retained Earnings

Particulars	Amount
As at April 01, 2020	**1,401.38**
Add: Net profit for the year	348.57
Less: Transfer to reserve during the year	(50.00)
As at March 31, 2021	**1,699.95**
Add: Net profit for the year	391.81
Less: Transfer to reserve during the year	(50.00)
As at Mar 31, 2022	**2,041.76**

(ii) Other Reserves

Particulars	Securities Premium	Capital Reserve	General Reserve
As at April 01, 2020	**59.55**	**212.17**	**503.77**
Increase during the year	-	-	50.00
Decrease during the year	-	-	-
As at March 31, 2021	**59.55**	**212.17**	**553.77**
Increase during the year	-	5.78	50.00
Decrease during the year	-	-	(141.91)
As at March 31, 2022	**59.55**	**217.95**	**461.85**

(iii) Components of Other Comprehensive Income

Particulars	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans
As at April 01, 2020	**0.21**	**32.53**
Increase during the year	0.07	-
Decrease during the year	-	(3.62)
As at March 31, 2021	**0.28**	**28.92**
Increase during the year	-	16.69
Decrease during the year	-	-
As at March 31, 2022	**0.28**	**45.61**

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20 Non-Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Secured Borrowings			
Term Loans - from Banks*	507.99	571.11	507.82
Less : Current maturities of long term debt - Term Loans	(168.35)	(199.66)	(107.15)
Total	**339.64**	**371.45**	**400.66**

* net off of Rs 0.62 Millions (2021: Rs. 0.93 Millions and 2020 : Rs. 0.79 Millions) as finance charge

Notes:

a) Term Loans pertaining to Holding Company is secured by way of first pari passu charge over entire movable Property Plant and Equipment of the company and immovable Property Plant and Equipment of the company by equitable mortgage of properties situated at Ghaziabad and Goa. These are further secured by second pari passu charge on entire current assets of the company and personal guarantee of the four Directors of the Holding Company.

b) Term Loans pertaining to Subsidiary Company is secured by way of First pari paasu charge by way of mortgage of all Immovable Properties of Company situated at Belikhol, Tehsil Nalagarh, District Solan, Himachal Pradesh and hypothecation of Plant & Machinery, Equipments, Tools, Spares, Accessories and all other Assets, both present and in future. The Loan is further secured by Personal Guarantee of the two Directors of the Subsidiary company.

b) Term Loans - Repayment schedule and rate of interest

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Secured			
Weighted Ave. Rate of Interest	6.98%	7.23%	7.70%
Outstanding amount	**507.99**	**571.11**	**507.82**
Repayment Due			
FY 2020-21			107.15
FY 2021-22		199.66	175.77
FY 2022-23	168.35	145.26	
FY 2023-24	130.27		
Remaining payable upto 2028-29	209.38	226.18	224.90

21 Non-Current Liabilities - Provisions

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Provisions for Employee Benefits (refer note 37)			
Provision for Leave Encashment	9.05	8.69	5.46
Total	**9.05**	**8.69**	**5.46**

22 Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Borrowings - Loans repayable on demands			
Secured			
(i) from banks - Working Capital	419.39	483.57	180.80
(ii) Current maturities of Long term borrowings (refer note 20)	168.35	199.66	107.15
Unsecured			
(i) from banks - Vendors bills discounting	95.93	82.98	10.31
Total	**683.67**	**766.21**	**298.27**

Notes:

a. Working Capital loan of Holding Company is secured by exclusive first pari passu charge on entire stock of Raw material, Work-in-Progress, Finished Goods, Consumable Stores, Book Debts and other current assets of the company, both present and future. These loans are further secured by second pari passu charge over the entire movable Property Plant and Equipment of the company, other and immovable Property Plant and Equipment of the company by equitable mortgage of properties situated at Ghaziabad and Goa and personal guarantee of the four Directors of the holding company.

b. Working Capital loan of Subsidiary Company is secured by First pari paasu charge by way of mortgage of all Immovable Properties of Company situated at Belikhol, Tehsil Nalagarh, District Solan, Himachal Pradesh and hypothecation of Plant & Machinery, Equipments, Tools, Spares, Accessories and all other Assets, both present and in future. The Loan is further secured by Personal Guarantee of the two directors of the subsidiary company.

c. Unsecured loan of Vendor Bill discounting as Electronic Vendor Financing Scheme is Repayable on due dates as agreed with the Vendors.

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23 Current Financial Liabilities - Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Trade Payables			
Due to Micro and Small Enterprises (refer note 38)	221.08	194.94	102.63
Others	771.30	850.86	578.97
Total	**992.38**	**1,045.80**	**681.60**

23.1 Trade Payables Ageing Schedule, on due basis:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
MSME (Undisputed)			
Not Due	202.75	174.53	78.96
Less than 1 year	18.32	20.41	23.67
1 -2 years	-	-	-
2 -3 years	-	-	-
More than 3 years	-	-	-
Total	**221.08**	**194.94**	**102.63**
Other than MSME (Undisputed)			
Not Due	576.19	678.71	373.07
Less than 1 year	194.68	151.87	154.44
1 -2 years	0.38	2.81	5.29
2 -3 years	0.04	0.88	41.90
More than 3 years	0.01	16.60	4.27
Total	**771.30**	**850.86**	**578.97**

23.2 There are no disputed balances of MSME or other than MSME as on Mar'22, Mar'21 and Apr'20

24 Other Financial Liabilities - Current

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Security deposit	-	0.06	0.06
Expenses Payables *	93.78	99.40	92.42
Total	**93.78**	**99.46**	**92.48**

*includes primarily Salaries & Bonus Payable and other expenses payable

25 Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Advances from Customers	21.04	8.89	25.54
Statutory Liabilities payable	30.11	32.02	22.71
Total	**51.15**	**40.91**	**48.25**

26 Current Liabilities - Provisions

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Provisions for Employee Benefits (refer note 37)			
Provision for Leave Encashment	8.87	7.60	8.08
Total	**8.87**	**7.60**	**8.08**

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27 Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale and Services		
- Sale of Products	10,645.65	8,412.67
- Sale of Services	16.66	14.63
Other Operating Revenues		
- Scrap sale	272.79	195.30
- Export Incentives	2.43	1.18
Total	**10,937.54**	**8,623.78**

27.1 Contract Balances

Receivables, which are included in 'trade receivables'	1,773.73	1,826.32

27.2 Revenue from sale of products / services disaggregated by primary geographical market

India	10,899.75	8,555.17
Outside India	37.79	68.61
Total revenue from contracts with customers	**10,937.54**	**8,623.78**

28 Other Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other non-operating income		
Interest on Bank Deposits	1.24	1.90
Dividend Received	0.27	1.07
Gain/(loss) on sale of current investments measured at FVTPL	(0.14)	9.07
Fair value gain/(loss) on investments measured at FVTPL	6.01	11.23
Rent Received	0.36	0.36
Sundry Balances Written Back	-	1.60
Profit on sales of Property, Plant and Equipment	1.40	-
Total	**9.14**	**25.23**

29 Cost of Material Consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Balance	790.41	473.38
Add : Purchases during the year	7,917.38	6,485.21
	8,707.79	**6,958.59**
Less: Closing Stock	783.72	790.41
Total material consumed	**7,924.07**	**6,168.18**

30 Change in inventories of finished goods, work-in progress and stock-in trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock		
Finished Goods	88.00	127.74
Work in process	267.02	186.93
	355.02	**314.67**
Closing Stock		
Finished Goods	131.62	88.00
Work in process	273.70	267.02
	405.32	**355.02**
Total	**(50.30)**	**(40.34)**

31 Employee Benefits Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, bonus and allowances	1,162.29	1,005.86
Contribution to Provident and other funds	65.25	53.90
Staff welfare expenses	24.91	20.48
Total	**1,252.44**	**1,080.23**

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32 Finance Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on financial liabilities measured at amortised cost :		
- on borrowings	121.86	93.15
- on lease liabilities	0.15	0.15
- other Interest cost	0.02	0.03
Other borrowing cost	5.01	3.44
Total	**127.04**	**96.76**

33 Other Expenses

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Manufacturing Expenses			
Power and Fuel & Water Charges		162.08	142.63
Carriage Inwards Expenses		29.11	25.12
Processing Charges		239.82	176.05
Consumable Stores		31.14	27.89
Testing & Calibration Expenses		3.47	4.25
Repairs and Maintenance		80.88	79.89
	(A)	**546.49**	**455.85**
Selling and Distribution Expenses			
Advertisement & Sales promotion expenses		0.87	0.87
Carriage & Octroi (Outward)		27.84	22.71
	(B)	**28.71**	**23.59**
Establishment Expenses			
Rent		6.57	3.81
Rates and Taxes		5.41	2.13
Auditors' Remuneration			
- Audit Fees		1.23	1.08
- In Other Capacity *		0.88	1.07
Legal and Professional Charges		8.77	7.05
Communication Expenses		3.10	2.35
Travelling and Conveyance Expenses		19.86	18.03
Vehicle Running & Maintenance		19.09	14.16
Insurance Expenses		6.91	10.08
Bad debts, other balances written off (net)		-	0.00
Provision for Doubtful Receivables		(0.42)	0.98
Sitting Fees to non-executive directors		0.68	0.04
Corporate Social Responsibility Expenses (refer note 45)		6.29	6.16
Research & Product Development Expenses		59.21	60.46
Exchange Fluctuation Loss (Net)		0.10	0.02
Net Loss / (Gain) on Sale of Property Plant and Equipment		-	3.01
Miscellaneous Expenditure		25.32	21.98
	(C)	**162.99**	**152.41**
Total (A to C)		**738.19**	**631.85**

* excluding Professional fee of Rs. 2.00 Million paid to the Statutory Auditors of Holding Company towards Proposed Initial Public Offering of its equity shares and debit to Unamortised share issue expenses (refer note 18).

34 Earning per Share (EPS)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic & Diluted Earnings per share :		
Profit/(Loss) for the year	391.81	348.57
Profit/(Loss) attributable to ordinary shareholders (A)	391.81	348.57
Weighted average number of ordinary shares (B) (Pre-Bonus & share split)	4,08,40,200	68,06,700
Weighted average number of ordinary shares (C) (Post-Bonus & share split) #	4,08,40,200	4,08,40,200
Nominal value of ordinary share	**Rs. 5/-**	**Rs. 5/-**
Earnings per share - Basic & Diluted (A/B) - Rs. (Pre-Bonus & share split)	**9.59**	**51.21**
Earnings per share - Basic & Diluted (A/B) - Rs. (Post-Bonus & share split) #	**9.59**	**8.53**

Post retrospective adjustment of Bonus Issue & Stock Split in compliance with Ind AS 33 - Earnings per Share

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35 Impact and future uncertainties relating to Global health pandemic from COVID-19

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the Consolidated financial information including there coverability of carrying amounts of financial and non financial assets. Further the impact assessment does not indicate any adverse impact on the ability of the Group to continue as a going concern. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group has, at the date of approval of the Consolidated financial information, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Group's Consolidated financial information may differ from that estimated as at the date of approval of these Consolidated financial information.

36 Disclosure with respect to Ind AS 116 - Leases

The Group has entered into agreements for leasing lease hold lands on lease. On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of INR 0.79 Millions and a lease liability of INR 1.86 Millions.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the short-term lease exemption to leases with lease term that ends within 12 months at the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.
5. The accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2020 as short-term leases.

On adoption of Ind AS 116, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under previous GAAP. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.

Information about Leases Assets for which the Group is a lessee is presented below :

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Balance as at beginning of the year	**0.76**	**0.78**	**0.79**
Additions	-	-	-
Deletions	-	-	-
Depreciation*	(0.01)	(0.01)	(0.01)
Balance as at end of the year	**0.75**	**0.76**	**0.78**

*The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in the Consolidated Statement of Profit and Loss.

The changes/movement in Lease Liabilities of the Group are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Balance as at beginning of the year	**1.98**	**2.01**	**1.86**
Additions	-	-	-
Deletions	-	-	-
Payment of lease liabilities	(0.17)	(0.17)	-
Accreditation of interest	0.15	0.15	0.14
Balance as at end of the year	**1.97**	**1.98**	**2.01**
Current Liabilities	0.05	0.05	0.05
Non-Current Liabilities	1.91	1.93	1.95
Total cash outflow for leases	(0.17)	(0.17)	-

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Such lease liabilities are related to Leasehold lands having maturity period of more than 5 year.

The table below provides details regarding amounts recognised in the Consolidated Statement of Profit and Loss:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expenses relating to short-term leases and/or leases of low-value items	6.57	3.81
Interest on lease liabilities	0.15	0.15
Depreciation expense	0.01	0.01
Total	**6.73**	**3.97**

Lease contracts entered by the Group majorly pertains for buildings and lands taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the contract. The leases that the Group has entered with lessors towards properties used as ware houses/ offices are short term in nature and no changes in terms of those leases are expected due to the COVID-19.

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37 The Group has recognised the following amounts in the Consolidated financial Information as per Ind AS - 19 "Employees Benefits" as specified in the Companies (Indian Accounting Standards) Rules, 2015:

a) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised are charged to the Consolidated Statement of Profit and Loss for the year as under :

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's Contribution to Provident Fund and other	65.25	53.90

b) Defined Benefit Plan

The employees' gratuity fund scheme is managed by Kotak Mahindra Life Insurance Limited, Bajaj Allianz Life Insurance Co. Ltd and Birla Sun Life Insurance Co. Ltd. which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation and the obligation for leave encashment is recognised in the same manner as gratuity.

Actuarial assumptions

Particulars	Gratuity (Funded)			Leave Encashment		
	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020
Discount rate (per annum)	7.00%	6.25%	6.25%	7.00%	6.80%	6.25%
Salary Escalation Rate	5.00%	5.00%	3.00%	5.00%	5.00%	3.00%
Average remaining working lives of employees (Years)	24.00	24.59	24.35	-	-	-
Table showing changes in present value of obligations :						
Present value of obligation as at the beginning of the year	138.98	111.88	110.26	16.29	13.54	13.07
Interest Cost	8.85	7.05	8.29	1.03	0.86	0.98
Current Service Cost	12.94	12.78	10.28	15.92	6.98	6.15
Benefits paid	(50.62)	(6.90)	(5.38)	(2.43)	(2.50)	(2.00)
Actuarial (gain)/ loss on obligations	33.60	14.17	(11.57)	(12.89)	(2.59)	(4.67)
Present value of obligation as at the end of the year	143.75	138.98	111.88	17.93	16.29	13.54
Table showing changes in the fair value of plan assets :						
Fair value of plan assets at beginning of the year	164.74	142.56	129.12	11.09	10.50	9.31
Actual return of plan assets	10.71	9.00	9.74	0.72	0.67	0.71
Employer contribution	4.93	14.37	8.60	2.43	2.50	2.00
Benefits paid	(50.62)	(6.90)	(5.38)	(2.43)	(2.50)	(2.00)
Actuarial gain/ (loss) on obligations	43.01	6.75	0.48	(0.26)	(0.08)	0.49
Charges deducted	-	(1.04)	-	-	-	-
Fair value of plan assets at the end of year	172.77	164.74	142.56	11.55	11.09	10.50
Other Comprehensive Income						
Actuarial (gain) / loss for the year - Obligation	33.60	14.17		(12.89)	(2.59)	
Actuarial (gain) / loss for the year - Plan assets	(43.01)	(6.75)		(0.26)	(0.08)	
Total (gain) / loss for the year	(9.41)	7.42		(13.14)	(2.67)	
The amounts to be recognized in Consolidated Statement of Assets and Liabilities :						
Present value of obligation as at the end of the year	143.75	138.98	111.88	17.93	16.29	13.54
Fair value of plan assets as at the end of the year	172.77	164.74	142.56	11.55	11.09	10.50
Net (asset)/ liability recognised in Consolidated Ind AS Balance Sheet	(29.02)	(25.76)	(30.68)	6.37	5.20	3.04
Expenses recognised in Consolidated Statement of Profit and Loss :						
Current service cost	12.94	12.78		15.92	6.98	
Interest Cost	(1.86)	(1.95)		0.32	0.18	
Expenses recognised in the Consolidated statement of profit and loss	11.09	10.83		16.24	7.17	
Sensitivity analysis of the defined benefit obligation:						
Impact of the change in Discount Rate						
Present Value of Obligation at the end of the year	143.75	138.98	111.88	17.93	16.29	13.54
Impact due to increase of 1%	(10.67)	(11.08)	(7.37)	(0.87)	(1.00)	(0.57)
Impact due to decrease of 1%	12.44	12.99	8.54	1.13	1.20	0.67
Impact of the change in salary increase						
Present Value of Obligation at the end of the year	143.75	138.98	111.88	17.93	16.29	13.54
Impact due to increase of 1%	11.77	12.20	8.13	1.23	1.13	0.63
Impact due to decrease of 1%	(10.31)	(10.60)	(7.16)	(1.09)	(0.96)	(0.54)
Sensitivities due to mortality & withdrawals are insignificant & hence ignored.						
Maturity profile of defined benefit obligation:						
Year 1	21.54	17.81	23.89	8.87	7.60	8.08
Year 2	9.97	9.97	6.78	0.69	0.71	0.41
Year 3	10.14	9.43	8.85	0.74	0.57	0.58
Year 4	9.72	8.97	8.46	0.64	0.66	0.42
Year 5	13.35	8.71	8.62	0.91	0.55	0.47
Year 6 to 10	64.14	61.19	45.79	4.23	3.75	2.51
Investment Details						
Funds managed by Insurance Companies	171.76	164.13	141.91	11.55	11.09	10.50
Cash / Bank Balance	1.01	0.61	0.65	-	-	-

Note: The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuarial Valuer.

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38 Disclosure as required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act):

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Principal amount remaining unpaid to micro & small enterprises	221.08	194.94	102.63
Interest due on above	-	-	-
Interest paid during the period beyond the appointed day	-	-	-
Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-	-
Amount of interest accrued and remaining unpaid at the end of the period	-	-	-
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 small enterprises for the purpose of disallowance as a deductible expenditure under Sec.23 of the Act	-	-	-

Note: The above information and that given in Note 23' Trade Payables' regarding Micro and Small Enterprises has been determined on the basis of information available with the Group and has been relied upon by the auditors. The Group has not received any claim for interest from any supplier as at the balance sheet date.

39 Commitments and Contingencies

(a) Contingent Liabilities not provided for in respect of :

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
(i) Unexpired Letters of Credit	31.49	48.75	8.39
(ii) Guarantees given by banks on behalf of the Company	12.40	3.50	2.43
(iii) Claims against the Company towards Income Tax, Sales tax, Provident fund, GST and others in dispute not acknowledged as debt	44.67	22.05	20.11

Notes:

i) The Group's pending litigations comprise of claims against the Group and proceedings pending with Tax Authorities. The Group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its consolidated financial Information. The Group does not expect the outcome of these proceedings to have a material impact on its financial position.

ii) The Group periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, The Group has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.

iii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

iv) The Group does not have outstanding term derivative contracts as at the end of respective years.

v) There were no amounts which were required to be transferred to the investor Education and Protection fund by the Holding company and its Subsidiary company at the end of respective years.

(b) Capital Commitments

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	74.10	98.37	24.96

40 In the opinion of the Board, all assets other than Property Plant and Equipment and non-current investments, have a realisable value in the ordinary course of business which is not significantly differ from the amount at which it is stated.

41 Other Comprehensive Income (OCI)

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Item of income / expense that is not recognised in profit or loss but is shown in the Consolidated statement of profit and loss as 'other comprehensive income' includes Gain/(Loss) on Equity Instruments designated through OCI and Actuarial (gain)/ loss on employees benefits obligations. The concept of other comprehensive income did not exist under the previous GAAP.

42 Research & Development (R&D) Expenditure

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Revenue Expenditure	59.21	60.46
Capital Expenditure	1.80	-
Total	**61.02**	**60.46**

42.1 Capital expenditure incurred on R&D is included in the Property Plant and Equipment and depreciation is provided on the same at respective applicable rates.
42.2 Revenue expenditure incurred on R&D has been shown under Other Expense head in the Statement of Profit and loss.

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43 "Related Party Disclosures" as required by Ind AS - 24 :

(i). Name and description of related parties.

Relationship	Name of Related Party	
(a) Key management personnel :	Sh. M.L. Sethia	(Chairman)
	Sh. Kamal Sethia	(Managing Director)
	Sh. Sanjeev Sethia	(Whole Time Director - EMS)
	Sh. Sumit Sethia	(Whole Time Director - Goa Operation) (w.e.f. 03rd Jun'2020)
	Sh. Kishor Sethia	(Whole Time Director - Works) (Ceased w.e.f. 6th Sep'2021) (Key Managerial Personal*) (w.e.f. 30th Sep'2021)
	Sh. Vinay Kumar Sethia	(Whole Time Director- Commercial) (Ceased w.e.f. 6th Sep'2021) (Key Managerial Personal*) (w.e.f. 30th Sep'2021)
	Sh. Vikas Sethia	(Director of Subsidiary Company) (Deceased on 26th Nov'2020)
	Sh. Sharad Sethia	(Director of Subsidiary Company) (Deceased on 19th Oct'2020)
	Sh. Gaurav Sethia	(Director of Subsidiary Company) (w.e.f. 13th July'2020)
	Sh. Vinay Kumar Sethia	(Director of Subsidiary Company) (w.e.f. 29th Sep'2021)
	Smt. Priyanka Sethia	(Director of Subsidiary Company) (w.e.f. 30th Oct'2020) (Ceased w.e.f. 9th Oct'2021)
	Sh. Pradeep Sethia	(Director of Subsidiary Company) (w.e.f. 05th Dec'2020) (Ceased w.e.f. 9th Oct'2021)
	Sh. Raj Karan Chhajer	(Chief Financial Officer) (w.e.f. 30th Sep'2021)
	Sh. Avinash Karwa	(Company Secretary)
(b) Relative of Key management personnel :	Smt. Khushboo Sethia	
(c) Post Employment Benefit Plans	Elin Employees Group Gratuity Trust	
	Elin Appliances Pvt. Ltd. Employees Gratuity Trust	
(d) Enterprises owned or Significantly influenced by key management personnel or their relatives.	Kanchan Commercial Co. Pvt. Ltd.	
	Magtronic Devices Pvt. Ltd.	
	Sethia Oil Industries Limited	

* As per section 2(51) of Companies Act 2013

Note: Related party relationship is as identified by the Company and relied upon by the auditors

(ii). Nature of transactions - The transactions entered into with the related parties during the year along with related balances as at respective years are as under:

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Sales/rendering of Goods and Materials		
Sethia Oil Industries Ltd.	0.01	0.01
Purchase of Property, Plant and Equipment		
Magtronic Devices Pvt. Ltd.	-	0.07
Income - Rent /Other income		
Magtronic Devices Pvt. Ltd.	0.36	0.36
Expenses - Rent /Other expenses		
Kanchan Commercial Co. Pvt.Ltd.	0.60	0.60
Contribution towards Gratuity Liabilities		
Elin Employees Group Gratuity Trust	4.03	11.07
Elin Appliances Pvt. Ltd. Employees Gratuity Trust	0.90	3.30
Remuneration of Key Management Personnel *		
Sh. M.L. Sethia	3.64	3.04
Sh. Kamal Sethia	5.17	4.46
Sh. Kishor Sethia	4.96	4.28
Sh. Sanjeev Sethia	5.49	4.30
Sh. Vinay Kumar Sethia	5.38	3.24
Sh. Sumit Sethia	6.87	4.92
Sh. Vikas Sethia	-	2.43
Sh. Sharad Sethia	-	3.81
Sh. Gaurav Sethia	4.38	4.15
Sh. Pradeep Sethia	1.53	1.78
Smt. Priyanka Sethia	3.04	1.31
Sh Raj Karan Chhajer	1.25	-
Sh. Avinash Karwa	2.76	2.09
Remuneration of Relative to Key Management Personnel		
Smt. Khushboo Sethia	1.85	1.26

* As the future liability for gratuity and leave encashment is provided on an actuarial basis for the company as a whole, the amount pertaining to the directors is not ascertainable and therefore, not included above.

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44 Segment Reporting

a. The Board of directors of Elin Electronics Limited takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker. During the year under consideration, the Group operated only one segment i.e., manufacturing of Electronics Manufacturing Services.

b. Geographical Information

The geographical information analyses the Group's revenues by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Group's consolidated revenues and receivables by geographical market, regardless of where the goods were produced:

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
i. Revenue from customers		
India	10,899.75	8,555.17
Outside India	37.79	68.61
Total revenue	**10,937.54**	**8,623.78**
ii. Trade receivables		
India	1,765.14	1,806.88
Outside India	8.59	19.44
Total trade receivable	**1,773.73**	**1,826.32**

iii. The Group has common non-current assets for business in domestic and overseas markets. Hence, separate figures for non-current assets/ additions to property, plant and equipment have not been furnished.

c. Information about major customers (from external customers)

Revenue of approximately 50% (FY 2020-2021: 43%) are derived from 3 Nos. (FY 2020-2021: 2 Nos.) external customers which individually accounted for more than 10%.

45 Corporate social responsibility expenses:

	Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
a	amount required to be spent by the Group during the year,	6.03	5.20
b	amount of expenditure incurred,	6.29	6.16
c	shortfall at the end of the year,	-	-
d	total of previous years shortfall,	-	-
e	reason for shortfall,	-	-
f	nature of CSR activities,		
	On promotion of Education	3.16	2.46
	On promoting health care including preventive health care and sanitation	2.66	0.79
	On contribution to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	-	0.50
	On Eradicating Hunger, Poverty And Malnutrition	-	1.12
	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air	0.37	1.29
	Disaster management, including relief, rehabilition and reconstruction activities	0.10	-
g	details of related party transactions, e., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	Nil	Nil
h	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period should be shown separately	Nil	Nil

46 Financial Instruments and risk management

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables and lease liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include cash and cash equivalents, trade and other receivables that derive directly from its operations.

The Group's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The management has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group has constituted a Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

46.1 Financial Instruments by category

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
(i) Investments- Equity Instruments(level 2)	-	0.58	-	-	0.58	-
(ii) Investments- Mutual Funds (level 1)	11.55	-	-	135.61	-	-
(iii) Trade receivables	-	-	1,773.73	-	-	1,826.32
(iv) Cash and cash equivalents	-	-	40.14	-	-	46.76
(v) Bank balances other than (iv) above	-	-	9.21	-	-	7.03
(vi) Other Financial Assets	-	-	28.39	-	-	35.22
Total financial assets	**11.55**	**0.58**	**1,851.47**	**135.61**	**0.58**	**1,915.33**

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Financial liabilities						
(i) Borrowings	-	-	1,023.32	-	-	1,137.66
(ii) Lease Liabilities	-	-	1.97	-	-	1.98
(iii) Trade payables	-	-	992.38	-	-	1,045.80
(iv) Other financial liabilities	-	-	93.78	-	-	99.46
Total Financial liabilities	**-**	**-**	**2,111.44**	**-**	**-**	**2,284.90**

Particulars	As at April 01, 2020		
	FVTPL	FVTOCI	Amortized Cost
Financial Assets			
(i) Investments- Equity Instruments(level 2)	-	0.51	-
(ii) Investments- Mutual Funds (level 1)	250.80	-	-
(iii) Trade receivables	-	-	908.21
(iv) Cash and cash equivalents	-	-	90.73
(v) Bank balances other than (iv) above	-	-	12.42
(vi) Loans	-	-	-
(vii) Other Financial Assets	-	-	28.40
Total financial assets	**250.80**	**0.51**	**1,039.76**
Financial liabilities			
(i) Borrowings	-	-	698.93
(ii) Lease Liabilities	-	-	2.01
(iii) Trade payables	-	-	681.60
(iv) Other financial liabilities	-	-	92.48
Total Financial liabilities	**-**	**-**	**1,475.01**

Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorized into Level 1 , Level 2 and Level 3 inputs. There are no transfers between level 1, level 2 and level 3 during the years presented.

Significant estimates:
The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

46.2 Management of Financial Risk
Liquidity risk
Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows as at the year closing date.

	Notes Nos.	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2022					
Borrowings (excluding lease liabilities)	20, 22	1,023.32	683.67	339.64	**1,023.32**
Lease Liabilities	36	1.97	0.05	1.91	**1.97**
Trade payables	23	992.38	992.38	-	**992.38**
Other liabilities	24	93.78	93.78	-	**93.78**
As at March 31, 2021					
Borrowings (excluding lease liabilities)	20, 22	1,137.66	766.21	371.45	**1,137.66**
Lease Liabilities	36	1.98	0.05	1.93	**1.98**
Trade payables	23	1,045.80	1,045.80	-	**1,045.80**
Other liabilities	24	99.46	99.46	-	**99.46**
As at April 01, 2020					
Borrowings (excluding lease liabilities)	20, 22	698.93	298.27	400.66	**698.93**
Lease Liabilities	36	2.01	0.05	1.95	**2.01**
Trade payables	23	681.60	681.60	-	**681.60**
Other liabilities	24	92.48	92.48	-	**92.48**

Market Risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI & FVTPL investments.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rates. The Group does not expose to the risk of changes in market interest rates as Group's long and short term debt obligations are of fixed interest rate.

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Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when certain purchases and trade payables are denominated in a foreign currency).

The Group undertakes transactions denominated in foreign currencies and consequently, exposes to exchange rate fluctuations. The Group does not enter into trade financial instruments including derivate financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Group.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Group established policy, procedures and control relating to customer credit risk management. To manage trade receivable, The Group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 45. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Group's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

None of the Group's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

Capital management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and Maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Group is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain investor and creditors confidence.

The following table provides detail of the debt and equity at the end of the reporting period :

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Gross Debt	1,023.32	1,137.66	698.93
Less : Cash and Cash equivalents (Note 13)	40.14	46.76	90.73
Net Debt (A)	**983.18**	**1,090.90**	**608.20**
Total Equity (B)	3,031.20	2,622.71	2,277.68
Net Debt to Equity Ratio (A/B)	**0.32**	**0.42**	**0.27**

47 **Foreign Currency Exposure**

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations will arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars		As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Trade payable	USD/INR	55.43	88.56	41.98
	Amount in FC	*7,21,605.82*	*12,11,297.42*	*5,45,608.90*
	JPY/INR	0.15	-	-
	Amount in FC	*12,540.00*	-	-
	CNY/INR	-	-	0.00
	Amount in FC	-	-	*40.00*
Trade receivable	USD/INR	8.59	19.44	14.31
	Amount in FC	*1,14,174.75*	*2,65,834.04*	*1,85,949.87*

Foreign currency sensitivity analysis:

The following details are demonstrate The Group's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity and vice-versa.

Impact on profit or loss		As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
INR strengthens by 5%	USD Impact	(2.34)	(3.46)	(1.38)
	JPY Impact	0.01	-	-
	CNY Impact	-	-	0.00
INR weakening by 5%	USD Impact	2.34	3.46	1.38
	JPY Impact	(0.01)	-	-
	CNY Impact	-	-	(0.00)

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48 First Time Adoption of Ind AS

The Consolidated Ind AS Balance Sheet of the Group as at March 31, 2022 and the Consolidated Statement of Profit and Loss, the Consolidated Statement to changes in Equity and the Consolidated Statement of Cash Flows for the year ended March 31, 2022 and other financial information has been prepared under Indian Accounting Standards (Ind AS') notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

These Consolidated Ind AS financial statements, for the year ended March 31, 2022, are the first financial statements prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2021, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 ("IGAAP" or "Previous GAAP").

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March, 2022, the comparative information presented in these financial statements for the year ended 31 March, 2021 and in the preparation of an opening Ind AS balance sheet at 01 April, 2020 (the Company date of transition). In preparing its opening Ind AS balance sheet, any resulting differences between carrying amounts of assets and liabilities according to Ind AS 101 as of 01 April 2020, were recognized in equity under retained earnings within the Ind AS Balance Sheet. An explanation of how the transition from previous GAAP to Ind AS has affected the Company financial position, financial performance and cash flows is set out in the following notes.

A. Exemptions and Exceptions Availed

The accounting policies set out in Note 2 have been applied in preparing the Consolidated financial information. Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the Group has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date April 01, 2020.

The Group has elected to measure intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

A.1.2 Business Combination

The Group has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to the transition Date.

A.1.3 Fair value measurement of financial assets or financial liabilities at initial recognition

Ind AS 101 provides the option to apply the requirements in paragraph B5.1.2A (b) of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. The Group elected to apply the Ind AS 109 prospectively to financial assets and financial liabilities after its transition date.

A.1.4 Leases

The Group has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date (April 01, 2020) when applying Ind AS 116 initially:

i) lease liability is recognised, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

ii) a right of use assets is recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Statement of assets and liabilities immediately before the date of initial application.

The Group also applied the available practical expedients wherein it:

a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics

b) Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application

c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

A.2 Ind AS mandatory exceptions

A.2.1 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

A.2.3 Estimates

On assessment of the estimates made under the previous GAAP financial statements, the Group has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Group for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL.
- Determination of the discounted value for financial instruments carried are amortised cost.
- Impairment of financial assets based on the expected credit loss model.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

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B.1 Reconciliation of total equity between previous GAAP and Ind AS

	Notes to first-time adoption	As at March 31, 2021	As at April 1, 2020
Total Equity (shareholders funds) as per previous GAAP		**2,353.61**	**2,088.08**
Adjustments:			
- Leases	C.6	(0.89)	(0.91)
- Depreciation on PPE	C.1	313.11	206.21
- Fair valuation of investment in mutual funds	C.4	15.39	9.58
- Financial assets measured at FVOCI	C.2	0.28	0.21
- Actuarial valuation impact on employee benefits	C.3	24.42	30.04
- Allowance for expected credit loss	C.7	(2.08)	(1.10)
- Interest Expenses on borrowings using EIR	C.5	0.94	0.79
- Tax adjustments	C.8	(82.07)	(55.22)
Total Adjustments		269.10	189.60
Total Equity as per Ind AS		**2,622.71**	**2,277.68**

B.2 Reconciliation of total comprehensive income between previous GAAP and Ind AS

	Notes to first-time adoption	For the year ended March 31, 2021
Profit After Tax as per previous GAAP		**265.53**
Adjustments:		
- Leases	C.6	0.01
- Depreciation on Property, Plant and Equipment	C.1	106.91
- Fair valuation of investment in mutual funds	C.4	5.81
- Actuarial valuation impact on employee benefits	C.3	(5.63)
- Remeasurements of the defined benefit plans reclassified to OCI	C.3	4.83
- Allowance for expected credit loss	C.7	(0.98)
- Interest Expenses on borrowings using EIR	C.5	0.15
- Tax adjustments	C.8	(28.06)
Net profit under Ind AS		**348.57**
Add: Other Comprehensive Income(Net of Tax)		(3.55)
Total Comprehensive Income for the Year		345.02

B.3 Impact of Ind AS adoption on the Consolidated Statement of Cash Flows

There were no material differences between the Consolidated Statement of cash flow and cash flow statement under previous GAAP.

C. Notes to First Time Adoption:

C.1. Depreciation on Property, Plant and Equipment

Under previous GAAP, the Group used to depreciate its tangible assets, except leasehold improvements under Written Down Value ('WDV') method. To reflect the pattern in which asset's future economic benefits are expected to be consumed, the Group with effect from April 01, 2020 has changed its method of depreciation to Straight Line Method ('SLM') in respect of the assets which were hitherto depreciated under WDV method. As a consequence, the depreciation in the Consolidated Statement of Profit and Loss for the year ended March 31, 2021 is reduced and corresponding increase in the value of fixed assets.

C.2. Equity Instruments designated through OCI

Under the Previous GAAP, investments in equity instruments were classified as long-term investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, these investments (other than Investment in subsidiaries, associates/ joint ventures) are required to be measured at fair value. Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI equity instruments reserve as at the date of transition and subsequently in the other comprehensive income.

C.3. Actuarial valuation impact on employee benefits

Upto the year ended March 31, 2021 the Group did not make provision for gratuity and leave encashment in accordance with the requirement of applicable accounting standard. Accordingly, provision for gratuity and leave encashment has been restated by the Group as at April 01, 2020 and for the year ended March 31, 2021 in accordance with Ind AS 19. Further, provision for gratuity and leave encashment upto year ended 31 March 2020 which were not booked earlier as per applicable accounting standard, is debited/credited to retained earning as at April 01, 2020.

Under the previous GAAP, the remeasurements of the defined benefit plans were forming part of the profit or loss for the year. Under Ind AS, these remeasurements of the defined benefit plans i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss.

C.4. Fair valuation of investment in mutual funds

Under Previous GAAP, current investments in instruments such as mutual funds are recognised at cost or net realisable value, whichever is lower. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the consolidated statement of profit and loss for the year ended March 31, 2021.

C.5. Interest Expenses on borrowings using EIR

Under the previous GAAP, the processing fees for borrowings was charged off as finance cost during the year it was incurred. Under Ind AS, the processing fees has been recognised based on the Effective Interest Rate (EIR) method over the period of loan. Accordingly processing fees has been recognised as prepaid expenses in the year in which it was incurred and amortised over the period of the loan based on the EIR method.

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

C.6. Leases

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incident to the ownership of an asset. Operating lease were expensed in the consolidated statement of profit and loss. Under Ind AS 116, all arrangement that full under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Group has recognised a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments.

C.7. Allowance for expected credit loss

As per Ind AS 109 requirement, expected credit loss impact on Trade receivable has been worked out for the purpose of financial statement and shown as adjustments.

C.8. Deferred tax assets (net)

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary difference between the carrying value of assets and liabilities and their respective tax bases. Deferred tax has been computed on adjustments made as detailed above and has been adjusted in the consolidated financial information

C.9. Retained earnings

Retained earnings as at 1st April, 2020 has been adjusted consequent to the above Ind AS transition adjustments.

49 Tax Reconciliation

Particulars	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Net Profit as per consolidated statement of profit and loss (before tax)	528.73	474.92
Current Tax rate @ Applicable Tax Rates	133.07	119.53
Adjustment:		
Allowability of Depreciation & Employee Benefits	(11.42)	(13.08)
Amount of eligible / ineligible expenditure	2.89	(0.73)
Tax deductions, Exemptions & Losses Set Off	-	(1.38)
Taxation of Capital Gains	2.18	-
Other adjustments	1.22	5.56
Tax Provision as per Books	**127.94**	**109.90**

50 Financial Ratios

Ratios/Measure	Methodology	March 31, 2022	March 31, 2021	Variation
a) Current ratio	Current assets over current liabilities	1.74	1.63	6.83%
b) Debt equity ratio	Net Debt over total shareholders' equity	0.32	0.42	-22.02%
c) Debt service coverage ratio	Earnings available for debt services over total debt	64.59%	54.69%	18.11%
d) Return on equity %	PAT over total average equity	13.86%	14.23%	-2.57%
e) Inventory turnover ratio	Cost of goods sold over average inventory	6.95	6.41	8.42%
e) Trade receivables turnover ratio	Revenue from operations over average trade receivables	6.08	6.31	-3.66%
f) Trade payables turnover ratio	Net Purchases over average trade payables	8.05	7.65	5.23%
g) Net capital turnover ratio	Revenue from operations over average working capital	15.23%	15.12%	0.73%
h) Net profit %	Net profit over revenue	3.58%	4.04%	-11.37%
j) Return on capital employed %	Earning before interest and taxes over Capital employed	15.81%	14.90%	6.17%
k) Return on investment	Interest income, net gain on sale of investments and net fair value gain over average investments.	8.28%	11.07%	-25.14%

Notes:-

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
"Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.
Working Capital implies Current Assets less Current Liabilities.
Capital employed refers to sum of tangible net-worth, total debts and deferred tax liability as at close of year.

Explanation for variances exceeding 25%

k) Return in Investment is decreased due to sale of Mutual Fund investments during the year resulting into lesser return compared to last year.

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

51 Other Statutory Information

i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.

ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

vi) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

vii) The Group is not declared wilful defaulter by and bank or financials institution or lender during the year.

viii) The Group has certain charges which are either pending for registration of modification or satisfaction with the ROC, as the instrument for modification or satisfaction of charge is pending to be executed between the company and lenders. Pending such execution of instrument, the Group does not have any other charges or satisfaction as on March 31, 2022 which is yet to be registered with ROC beyond the statutory period.

ix) The group has submitted Stock and Debtors statement to the bank on monthly basis and also in Quarterly Information Statements. The average difference is not material and is less than 1% of amount of stock and debtors, which is on account of valuation, provisions, etc.

x) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

(xi) The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.

xii) The Group does not have any transactions with companies which are struck off.

52 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary.

Name of the Enterprises	Relationship	Net Assets i.e. total assets minus liabilities		Share in Profit or Loss	
		As % of total consolidated net	Amounts (In Rs)	As % of total consolidated	Amounts (In Rs)
Elin Electronics Limited					
March 31, 2021	Holding Company	76.48%	2,005.78	79.45%	274.11
March 31, 2022		77.20%	2,340.08	81.83%	334.29
Elin Appliances Private Limited					
March 31, 2021	Wholly owned Subsidiary	23.52%	616.92	20.55%	70.91
March 31, 2022		22.80%	691.13	18.17%	74.21

53 Initial Public Offering (IPO)

The Holding Company has received in-principal approval from Securities Exchange Board of India (SEBI) on the Draft Red Herring Prospectus (DRHP) filed for its Rs. 7600 Million initial public offering (IPO) consisting of fresh issue and offer for sale from existing shareholders. As on March 31, 2022, the holding company is in process of filing the Red Herring Prospectus (RHP).

54 Subsequant Event Note

On May 30, 2022, the Board of Directors of the Holding Company have proposed a dividend of Rs. 1 per share in respect of the year ended March 31, 2022 subject to the approval of shareholders at the Annual General Meeting.

55 Figures for the previous years have been regrouped/rearranged wherever necessary to confirm current period classification / presentation.

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

SUNIL & COMPANY Chartered Accountants FRN: 016520N New Delhi

Nishant Bhansali
Partner
M.No.: 532900

New Delhi, May 30, 2022

For and on behalf of the Board

Kamal Sethia
Managing Director
DIN: 00081116

Sanjeev Sethia
Whole Time Director
DIN: 00354700

Raj Karan Chhajer
Chief Financial Officer

ELIN ELECTRONICS LIMITED New Delhi

Avinash Karwa
Company Secretary
M.No.: A20424

New Delhi, May 30, 2022

Annexure

ELIN ELECTRONICS LIMITED

Form AOC-1

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

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

Part "A": Subsidiaries

(Information in respect of each **subsidiary** to be presented with amounts in INR Millions as on 31.03.2022)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	**Elin Appliances Private Limited**
2.	The date since when subsidiary was acquired	02-11-2019
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5.	Share capital	2.00
6.	Reserves & surplus	689.13
7.	Total assets	1,132.12
8.	Total Liabilities	440.99
9.	Investments	22.34
10.	Turnover	2561.50
11.	Profit before taxation	98.17
12.	Provision for taxation	24.69
13.	Profit after taxation	73.47
14.	Proposed Dividend	Nil
15.	% of shareholding	**100%**

Note : 1. Names of subsidiaries which are yet to commence operations : Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to **Associate Companies and Joint Ventures**

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

As per our report of even date
For Oswal Sunil & Company
Chartered Accountants
Firm Reg.No-016520N

Oswal Sunil & Company Chartered Accountants FRN:016520N New Delhi

Nishant Bhansali
Partner
Membership No: 532900
Place: New Delhi
Date: May 30, 2022

For and on behalf of the Board

Kamal Sethia
(Managing Director)
DIN: 00081116

Sanjeev Sethia
(Whole-Time Director)
DIN: 00354700