

## ELIN APPLIANCES PRIVATE LIMITED

Registered Office: 4771, Bharat Ram Road, 23, Darya Ganj, New Delhi -110002

CIN: U29300DL2002PTC425099

Email id: rkc@elinindia.com, Phone no: 011- 43000427, Website- www.elinindia.com

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### NOTICE

NOTICE is hereby given that the 23<sup>rd</sup> Annual General Meeting of the members of ELIN APPLIANCES PVT. LTD. will be held on Tuesday, 30<sup>th</sup> September, 2025 at 11:00 A.M. at the Registered Office of the Company at 4771, Bharat Ram Road, 23, Darya Ganj, New Delhi -110002 to transact the following businesses:

#### ORDINARY BUSINESSES:

1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED ACCOUNTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2025 TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON; AND
2. TO APPOINT A DIRECTOR IN PLACE OF SHRI GAURAV SETHIA, (DIN: 02902047), WHO RETIRES BY ROTATION, AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.

#### SPECIAL BUSINESSES:

3. TO APPOINT SHRI VINAY KUMAR SETHIA (DIN: 00082184) AS A WHOLE TIME DIRECTOR OF THE COMPANY AND APPROVAL OF HIS REMUNERATION.

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196 and 197 read with schedule V, and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and upon the recommendation of Board of Directors of the Company, Shri Vinay Kumar Sethia (DIN: 00082184), be and is hereby appointed as a Whole time Director of the Company designated as Chairman for a period of 5 years with effect from 01<sup>st</sup> April, 2025 to 31<sup>st</sup> March, 2030, liable to retire by rotation on the terms and conditions including remuneration for a period of three years with effect from 01<sup>st</sup> April, 2025 to 31<sup>st</sup> March, 2028, as detailed below:

i) Salary – Rs. 7,00,000/- per month

ii) Perquisites: In addition to salary, he shall be entitled to perquisites in the nature of furnished accommodation, electricity & water, medical insurance for self and family, medical reimbursement and leave travel concession for self and family, club fees, Company car(s) with driver(s) for official duties as well as for personal use, telephone at residence, mobile phone and company's contribution to Provident Fund and Gratuity not exceeding half month's salary for each completed year of service.

Provided however that:

a) Total remuneration by way of salary and perquisites shall not exceed Rs. 8,00,000/- per month (Rs. 96,00,000/- in a year) subject that contribution to provident fund as per Income Tax Act and gratuity payable shall not be included in the computation of the above ceiling.

b) For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

c) In the event of loss or inadequacy of profit in any financial year, he shall be paid remuneration by way of salary and perquisites as specified above.

RESOLVED FURTHER THAT pursuant to provisions of Section 196(3) the approval of the members be and is hereby also accorded to appoint Shri Vinay Kumar Sethia age 74 years as a Whole Time Director designated as Chairman for a period of five years w.e.f. 01<sup>st</sup> April, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary and or/modify the terms and conditions including remuneration payable to Shri Vinay Kumar Sethia within the limits as prescribed under the Companies Act, 2013 read with Schedule V thereto including any amendment, modification, variation or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. TO APPROVE REMUNERATION OF SHRI GAURAV SETHIA, (DIN: 02902047), WHOLE-TIME DIRECTOR OF THE COMPANY.

To consider and if thought fit to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196 and 197 read with schedule V, and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and upon the recommendation of Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for the payment of remuneration to Shri Gaurav Sethia (DIN: 02902047), Whole time Director (Production), liable to retire by rotation, for a period w.e.f. 01<sup>st</sup> April, 2025 up to 29<sup>th</sup> October, 2025, as detailed below:

- i) Salary – Rs. 7,00,000/- per month.
- ii) Perquisites: In addition to salary, he shall be entitled to perquisites in the nature of furnished accommodation, electricity & water, medical insurance for self and family, medical reimbursement and leave travel concession for self and family, club fees, Company car(s) with driver(s) for official duties as well as for personal use, telephone at residence, mobile phone and company's contribution to NPS (National Pension System), company's contribution to Provident Fund and Gratuity not exceeding half month's salary for each completed year of service.

Provided however that:

a) Total remuneration by way of salary and perquisites shall not exceed Rs. 8,00,000/- per month (Rs. 96,00,000/- in a year) subject that contribution to provident fund as per Income Tax Act and gratuity payable shall not be included in the computation of the above ceiling.

b) For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

c) In the event of loss or inadequacy of profit in any financial year, he shall be paid remuneration by way of salary and perquisites as specified above.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary and or/modify the terms and conditions including remuneration payable to Shri Gaurav Sethia within the limits as prescribed under the Companies Act, 2013 read with Schedule V thereto including any amendment, modification, variation or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. TO APPOINT SHRI GAURAV SETHIA (DIN: 02902047) AS WHOLE TIME DIRECTOR OF THE COMPANY AND APPROVAL OF HIS REMUNERATION.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 196 and 197 read with schedule V, and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and upon the recommendation of Board of Directors of the Company, Shri Gaurav Sethia (DIN: 02902047), Whole time Director (Production), be and is hereby appointed as a Whole time Director of the Company for a period of 5 years with effect from 30<sup>th</sup> October, 2025 to 29<sup>th</sup> October, 2030, liable to retire by rotation on the terms and conditions including remuneration for a period of three years with effect from 30<sup>th</sup> October, 2025 to 29<sup>th</sup> October, 2028, as detailed below:

- i) Salary – Rs. 7,00,000/- per month
- ii) Perquisites: In addition to salary, he shall be entitled to perquisites in the nature of furnished accommodation, electricity & water, medical insurance for self and family, medical reimbursement and leave travel concession for self and family, club fees, Company car(s) with driver(s) for official duties as well as for personal use, telephone at residence, mobile phone and company's contribution to NPS (National Pension System), company's contribution to Provident Fund and Gratuity not exceeding half month's salary for each completed year of service.

Provided however that:

- a) Total remuneration by way of salary and perquisites shall not exceed Rs. 8,00,000/- per month (Rs. 96,00,000/- in a year) subject that contribution to provident fund as per Income Tax Act and gratuity payable shall not be included in the computation of the above ceiling.
- b) For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

- c) In the event of loss or inadequacy of profit in any financial year, he shall be paid remuneration by way of salary and perquisites as specified above.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary and or/modify the terms and conditions including remuneration payable to Shri Gaurav Sethia within the limits as prescribed under the Companies Act, 2013 read with Schedule V thereto including any amendment, modification, variation or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

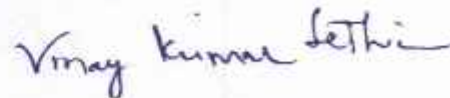
6. TO APPROVE THE APPOINTMENT OF MRS. PRIYANKA JAIN AS A NON-EXECUTIVE (INDEPENDENT) DIRECTOR OF THE COMPANY.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, and any other applicable provisions of the Companies Act, 2013 ("the Act"), read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 24 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Articles of Association, and on the recommendations and/or approvals of the Board of Directors of the Company, Ms. Priyanka Jain (DIN: 00618931), who was appointed as an Additional Director in the capacity of an Independent Director with effect from 08<sup>th</sup> February, 2025, who meets the criteria for independence under Section 149(6) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years from 08<sup>th</sup> February, 2025 upto 07<sup>th</sup> February, 2030 and that she shall not be liable to retire by rotation and shall be entitled to receive sitting and other fees for attending meetings of the Board and any committees, as may be determined by the Board from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

On Behalf of the Board  
For ELIN APPLIANCES PVT. LTD.



(VINAY KUMAR SETHIA)  
Whole-Time Director

Place: New Delhi  
Date: 7<sup>th</sup> August, 2025

DIN: 00082184

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be deposited at the registered office of the company not less than forty-eight hours before the time fixed for the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate Members are requested to send a board resolution duly certified, authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
4. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses is annexed hereto and form part of this notice.
5. The relevant records and documents connected with the businesses set out in the Notice are available for inspection at the Registered Office of the Company and at AGM venue between 11.00 AM and 1.00 PM on all working days up to the day of the Annual General Meeting.
6. Members, are requested to bring their Folio No for identification.
7. Members desiring to seek any information on the Annual Accounts are requested to write to the Company so that the query reaches to the Company at least one week in advance of the Annual General Meeting.
8. The 'Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 ('Act'), the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act will also be available for inspection at the meeting.
9. A member can inspect the proxies lodged at any time during the business hours of the Company from the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, provided he/she has given to the Company a notice in writing of his intention to inspect not less than 3 (three) days before the commencement of the meeting.
10. Members are requested to bring their attendance slip at venue of the meeting. Quote their Folio No. and Email address in all correspondence with the Company.
11. Note that members present in person or through registered proxy shall only be entertained. Note that the attendance slip/proxy form should be signed as per the specimen signature registered with the Company.
12. No gifts, gift coupons, or cash in lieu of gifts shall be distributed at the Meeting.

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**ATTENDANCE SLIP**

Folio No..... No. of Shares held .....

Full name of shareholder .....

Full name of Proxy / Representative .....

I/We hereby record my/our presence at the 23<sup>rd</sup> Annual General Meeting of the Company to be held on Tuesday, 30<sup>th</sup> September, 2025 at 11:00 a.m. at its Registered Office at 4771 , Bharat Ram Road, 23 Daryaganj , New Delhi -110002

Signature of the shareholder / proxy / representative\*  
.....

Note: Please fill in the attendance slip and hand over at the entrance of the Meeting hall.

*\*Strike out whichever is not applicable*

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**PROXY FORM MGT – 11**

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s)..... Email id : .....  
Registered address ..... Folio No.....

I/We, being the member(s) of ..... Shares of the above named Company, hereby appoint:

- 1. Name: ..... Address : .....  
E-mail id : ..... Signature ..... or falling him / her
- 2. Name: ..... Address : .....  
E-mail id : ..... Signature ..... or falling him / her
- 3. Name: ..... Address : .....  
E-mail id : ..... Signature ..... or falling him / her

as my/ our proxy to attend and vote (on a poll) for me/ us and on my / our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company to be held on Tuesday, 30<sup>th</sup> September, 2025 at 11:00 a.m. at its Registered Office at 4771, Bharat Ram Road, 23 Daryaganj, New Delhi -110002 and at any adjournment thereof in respect of such resolutions as are indicated below:

		(*Optional)	
Resolution No.	Resolutions	For	Against
<b>Ordinary Business</b>			
1.	To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st March 2025 together with the reports of Directors and Auditors thereon.		

Signed this ..... day of ..... 2025.

.....  
Signature of Shareholder

.....  
Signature of Proxy holder(s)



**Notes:**

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Corporate Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2. for the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 23<sup>rd</sup> Annual General Meeting.
- 3. \*It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "against" column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

## **ELIN APPLIANCES PRIVATE LIMITED**

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### Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

#### **Item No. 3**

Members may note that Shri Vinay Kumar Sethia was appointed as a Whole Time Director by the members of the Company in their Annual General Meeting held on 30<sup>th</sup> August, 2022 for a period of 3 years, with effect from 01<sup>st</sup> April 2022 upto 31<sup>st</sup> March, 2025 at a remuneration of Rs. 7,00,000/- per month plus perquisites, upto maximum limit of Rs. 8,00,000/- per month.

Members may further note that the Board of Directors at their Board Meeting held on 08<sup>th</sup> February, 2025 have approved the appointment of Shri Vinay Kumar Sethia for a period of 5 years subject to the approval of Shareholders, with effect from 01<sup>st</sup> April 2025 to 31<sup>st</sup> March, 2030 including remuneration for a period of three years w.e.f. 01<sup>st</sup> April, 2025 to 31<sup>st</sup> March, 2028.

Since the Company being subsidiary of a public Company, is a deemed public Company, hence provisions applicable to a public Company in respect of appointment of Whole-time Director and payment of remuneration (Sections 196 and 197 read with schedule V of the Companies Act, 2013), becomes applicable to the Company and accordingly approval of the shareholders is being taken.

The Remuneration payable to Directors/Managing Director (MD)/Whole Time Directors (WTD) is regulated by the provisions of Section 196 and Section 197 read with Schedule V of the Companies Act, 2013. In case of no profits/inadequate profits, the Company shall pay remuneration to its Directors/MD/WTD, in accordance with the provisions of Schedule V of the Companies Act, 2013. The net worth/effective capital of the company was Rs. 84.08 Crores as per audited balance sheet as on 31.03.2025. In terms of Section-II (A) of Part-II of Schedule V of the Companies Act, 2013, as amended, the maximum limit of yearly remuneration payable was Rs. 84 lakhs if the effective capital of the company is Rs. 5 crores and above but less than Rs. 100 crores.

The proposed remuneration to Shri Vinay Kumar Sethia, was exceeding the limits prescribed in the aforesaid Section-II (A) of Part-II of Schedule V of the Companies Act, 2013. Accordingly, the Shareholders' approval is required by way of Special Resolution in terms of provisions of Schedule V of the Companies Act, 2013 for payment of remuneration to Shri Vinay Kumar Sethia as Whole Time Director w.e.f. 1<sup>st</sup> April, 2025.

Further as per clause (iii) of second proviso of Section II (B) of Schedule V of the Companies Act, 2013, Special Resolution is required to be passed for approval of payment of remuneration exceeding the limits prescribed in Section-II (A) for a period not exceeding three years.

*Members may also note that in terms of Section 196(3) of the Companies Act, 2013, no Company shall appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of 70 years. Provided that appointment of a person who has attained the age of seventy years may be made by passing a Special Resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.*

Accordingly, please note that Shri Vinay Kumar Sethia (age 74 years) has been working with the Company since 29<sup>th</sup> September, 2021 and was also associated with holding Company (Elin Electronics Ltd) till 05<sup>th</sup> September 2021. He holds a bachelor's degree in commerce from University of Calcutta. He has approximately 49 years of experience in electronic manufacturing services sector. Considering his knowledge, experience and skills, the board considers that his association as a Whole Time Director would be of immense benefit to the Company.

Accordingly, the Board recommends the Special Resolution in relation to his appointment as Whole time Director of the company at remuneration as set out in the resolution at Item no. 3 for a period of three years w.e.f. 01<sup>st</sup> April, 2025 for the approval by the shareholders of the Company.

Except Shri Vinay Kumar Sethia, being an appointee, none of the Directors and their relatives is concerned or interested, in the special resolution set out at item no. 3.

The statement of information about the appointee, Shri Vinay Kumar Sethia, as required vide clause (iv) of second proviso of Section-II of Part-II of Schedule V Companies Act, 2013 is given below:

I. GENERAL INFORMATION:

- 1) Nature of industry: The Company is in the business of Manufacturing of Electrical Appliances.
- 2) Date or expected date of commencement of commercial production: Already in business for over 23 years
- 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.
- 4) Financial performance based on given indicators
- | Year Ended | Turnover  | Profit before tax | Profit after tax | Dividend on equity shares |
|------------|-----------|-------------------|------------------|---------------------------|
| 31.03.23   | 25,042.95 | 819.20            | 582.06           | --                        |
| 31.03.24   | 23,937.70 | 181.02            | 145.41           | --                        |
| 31.03.25   | 27,718.13 | 2,258.95          | 1,888.45         | --                        |
- (Rs. in Lacs)
- 5) Foreign investments or collaborators, if any. NIL

II.

INFORMATION ABOUT THE APPOINTEE:

- 1) Background details: Shri Vinay Kumar Sethia is 74 years old and holds a bachelor's degree in commerce from University of Calcutta. He has approximately 49 years of experience in electronic manufacturing services sector.
- 2) Past remuneration: Rs. 8,00,000/- per month including perquisites.
- 3) Recognition or awards: Under his leadership the Company has received following awards:
- FICCI CSR Corporate Citizen Excellence Award .

- Winner of ASSOCHAM 7th National MSME Excellence Award in CSR Award.
- National CSR Awards by Ministry of corporate Affairs, GOI.
- 46th ELCINA Award 2020-21 , "First Prize" for "Environment Management" Category (SME).

- 4) Job profile and his suitability Shri Vinay Kumar Sethia has been associated with Company as Director since September, 2021 and was also associated with Company's holding Company (Elin Electronics Ltd) since 1982. Considering his knowledge, experience and skills, the board proposes for his appointment as Whole time Director of the company.
- 5) Remuneration proposed Mentioned in item no.3 of the notice of Annual General Meeting.
- 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) Comparative remuneration profile in the industry may not be specifically available, however taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities of Shri Vinay Kumar Sethia, the proposed remuneration is recommended.
- 7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. Nil

### III.

#### OTHER INFORMATION:

- 1) Reasons of loss or inadequate profits The profits are not adequate to pay the remuneration to all Whole-time Directors within the limits of Rs. 10% as per Section 197 of the Companies Act, 2013. Being a deemed public company, provisions applicable to a public company in respect of payment of remuneration (Section 196, Section 197 and schedule V of the Companies Act, 2013), are applicable to the Company.
- 2) Steps taken or proposed to be taken for improvements. Continuing efforts have been made towards qualitative improvement and costs across all operational and commercial areas which is expected to result in improvement in performance.
- 3) Expected increase in productivity and profits in measurable terms There has been signs of demand outlook improving and efforts of various governments in providing local protection is also expected to give a boost to the appliances prices and in turn profitability of the industry at large. In competitive environment, it is difficult to estimate the revenue or profit in measurable terms.

Additional information in respect of Shri Vinay Kumar Sethia, as required pursuant to the Secretarial Standard on General Meetings (SS-2) is provided in Annexure to this Notice.

#### **Item No. 4 & 5**

Members may note Shri Gaurav Sethia has been appointed as Whole time Director (Production) of the Company for 5 years w.e.f. 30<sup>th</sup> October, 2020 till 29<sup>th</sup> October, 2025, liable to retire by rotation and his remuneration of Rs. 3,40,000/- per month plus perquisites upto maximum limit of Rs. 6,00,000/- per month was approved by the shareholders in the annual general meeting held on 25<sup>th</sup> November 2020 for a period of 3 years from 30<sup>th</sup> October, 2020 to 29<sup>th</sup> October, 2023, with liberty to the Board of Directors to alter and vary the terms and conditions of the appointment and/or remuneration, subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013.

Members may further note that the Board of Directors of the Company in their meeting held on 31<sup>st</sup> March, 2022 has approved the increase in the remuneration of Shri Gaurav Sethia, Whole-time Director with effect from 1<sup>st</sup> April, 2022 to Rs. 7,00,000/- per month, modification in certain perquisites and also maximum limit was increased from Rs. 6,00,000/- per month to Rs. 8,00,000/- per month, with effect from 01<sup>st</sup> April, 2022.

Further the Board of Directors at its meeting held on 08<sup>th</sup> February, 2025 has approved the remuneration of Mr. Gaurav Sethia for a period w.e.f. 1<sup>st</sup> April, 2025, to 29<sup>th</sup> October, 2025 subject to the approval of Shareholders for an amount of Rs. 7,00,000/- per month plus perquisites, upto maximum limit of Rs. 8,00,000/- per month.

The Members may further note that the Board of Directors at their Board Meeting held on 07<sup>th</sup> August, 2025 have approve the re-appointment of Shri Gaurav Sethia for a period of 5 years subject to the approval of Shareholders, with effect from 30<sup>th</sup> October, 2025 till 29<sup>th</sup> October, 2030 including remuneration for a period of three years w.e.f. 30<sup>th</sup> October, 2025 to 29<sup>th</sup> October, 2028.

Since the Company being subsidiary of a public Company, is a deemed public Company, hence provisions applicable to a public Company in respect of appointment of Whole-time Director and payment of remuneration (Section 196 and 197 read with schedule V of the Companies Act, 2013), becomes applicable to the Company and accordingly approval of the shareholders is being taken.

The remuneration payable to Whole time directors is regulated by the provisions of Section 196 and section 197 read with Schedule V of the Companies Act, 2013. In case of no profits/inadequate profits, the company shall pay remuneration to its directors/MD/WTD, in accordance with the provisions of Schedule V of the Companies Act, 2013. The net worth/effective capital of the company is Rs. 84.08 Crores as per audited balance sheet as on 31.03.2025. In terms of Section-II (A) of Part-II of Schedule V of the Companies Act, 2013, as amended, the maximum limit of yearly remuneration payable is Rs. 84 lakhs if the effective capital of the company is Rs. 5 crores and above but less than Rs. 100 crores.

The proposed remuneration to Shri Gaurav Sethia is exceeding the limits prescribed in the aforesaid Section-II (A) of Part-II of Schedule V of the Companies Act, 2013. Accordingly, the shareholders' approval is required by way of special resolution in terms of provisions of Schedule V of the Companies Act, 2013 for payment of remuneration as mentioned in items no.4 & 5 of this AGM notice.

Further as per clause (iii) of second proviso of Section II (B) of Schedule V of the Companies Act, 2013, Special Resolution is required to be passed for approval of payment of remuneration exceeding the limits prescribed in Section-II (A) for a period not exceeding three years.

Shri Gaurav Sethia has been working with the Company since July, 2020. He holds a bachelor's degree in engineering from Visveswaraiah Technological University, Belgaum, Karnataka. He has approximately 15 years of experience in business development and communication.

Accordingly, the Board recommends the Special resolutions in relation to his appointment and payment of remuneration as set out in the Items no. 4 and 5 for the approval by the shareholders of the Company.

Except Shri Gaurav Sethia., none of the Directors and their relatives is concerned or interested, in the special resolutions set out at items no. 4 and 5.

The statement of information about the appointee, Shri Gaurav Sethia, as required vide clause (iv) of second proviso of Section-II of Part-II of Schedule V Companies Act, 2013 is given below:

IV.

GENERAL INFORMATION:

1) Nature of industry: The Company is in the business of Manufacturing of Electrical Appliances.

2) Date or expected date of commencement of commercial production Already in business for over 23 years

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

4) Financial performance based on given indicators	Year Ended	Turnover	Profit before tax	(Rs. in Lacs)	
				Profit after tax	Dividend on equity shares
	31.03.23	25,042.95	819.20	582.06	--
	31.03.24	23,937.70	181.02	145.41	--
	31.03.25	27,718.13	2,258.95	1,888.45	--

5) Foreign investments or collaborators, if any. NIL

V.

INFORMATION ABOUT THE APPOINTEE:

1) Background details Shri Gaurav Sethia is 40 years old and holds a bachelor's degree in engineering from Visveswaraiah Technological University, Belgaum, Karnataka. He has approximately 15 years of experience in business development and communication.

2) Past remuneration Rs. 8,00,000/- per month including perquisites.

- |   |  |
|---|--|
| 3) Recognition or awards  | Under his leadership the Company has received following awards: <ul style="list-style-type: none"> <li>• FICCI CSR Corporate Citizen Excellence Award</li> <li>• Winner of ASSOCHAM 7th National MSME Excellence Award in CSR Award.</li> <li>• National CSR Awards by Ministry of corporate Affairs, GOI.</li> <li>• 46th ELCINA Award 2020-21, "First Prize" for "Environment Management" Category (SME).</li> </ul> |
| 4) Job profile and his suitability  | Shri Gaurav Sethia has been working with the Company since July, 2020. Considering his knowledge, experience and skills, the Board proposes for increase in remuneration.  |
| 5) Remuneration proposed  | Mentioned in items no.4 & 5 of the notice of Annual General Meeting.   |
| 6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) | Comparative remuneration profile in the industry may not be specifically available, however taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities of Shri Gaurav Sethia, the proposed remuneration is recommended.  |
| 7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.   | Nil  |

VI.

OTHER INFORMATION:

- |  |  |
|--|--|
| 1) Reasons of loss or inadequate profits                             | The profits are not adequate to pay the remuneration to all Whole-time Directors within the limits of Rs. 10% as per Section 197 of the Companies Act, 2013. Being a deemed public company, provisions applicable to a public company in respect of payment of remuneration (Section 196, Section 197 and schedule V of the Companies Act, 2013), are applicable to the Company. |
| 2) Steps taken or proposed to be taken for improvements.             | Continuing efforts have been made towards qualitative improvement and costs across all operational and commercial areas which is expected to result in improvement in performance.   |
| 3) Expected increase in productivity and profits in measurable terms | There has been signs of demand outlook improving and efforts of various governments in providing local protection is also expected to give a boost to the appliances prices and in turn profitability of the industry at large. In competitive environment, it is difficult to estimate the revenue or profit in measurable terms.   |

Additional information in respect of Shri Gaurav Sethia, as required pursuant to the Secretarial Standard on General Meetings (SS-2) is provided in Annexure to this Notice.

**Item No. 6**

Members may note that the Board of Directors in its meeting held on 08<sup>th</sup> February 08, 2025, appointed, Ms. Priyanka Jain (DIN: 00618931) as an Additional Director (Non-Executive Independent Director) of the Company with effect from 08<sup>th</sup> February, 2025 pursuant to Sections 149, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013. The proposed resolution seeks the approval of members for the appointment of Ms. Priyanka Jain as a Non-Executive Independent Director for a first term of 5 (five) consecutive years from 08<sup>th</sup> February, 2025 upto 07<sup>th</sup> February, 2030, not liable to retire by rotation. The Company has received consent from Ms. Priyanka Jain to act as a Director and declarations to the effect that she meets the criteria of independence as provided in subsection (6) of Section 149 of the Act and is eligible to be appointed as a Director in terms of Section 164 of the Act. The Company has also received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member proposing the candidature of Ms. Priyanka Jain for the office of Director (Independent) to be appointed under Section 149 of the Act. In the opinion of the Board of Directors, Ms. Priyanka Jain fulfils the conditions specified in the Act and the Rules made there under. She is a person of integrity, independent of the management and possesses appropriate skills, experience and knowledge. She has vast experience in the area of finance, management and systems audits, governance and risk management etc. The Board deems it desirable and in the interest of the Company to appoint Ms. Priyanka Jain on the Board, and accordingly recommends the appointment of Ms. Priyanka Jain as an Independent Director for a first term of 5 (five) consecutive years, for approval by the Members as an Ordinary Resolution. Her appointment as an Independent Director would be beneficial to the company and will enable the Board to discharge its functions and duties effectively.

Ms. Priyanka Jain has also confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. Ms. Priyanka Jain, has also passed an online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs in April, 2022. Ms. Priyanka Jain shall be paid remuneration by way of fee for attending meetings of the Board and Committees thereof, if any and reimbursement of expenses for participating in the Board and other meetings.

Disclosure, as required under Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed to this Notice as an annexure to this Explanatory statement.

Except for Ms. Priyanka Jain and/or her relatives, no other Directors, Key Managerial Personnel, or their respective relatives are in anyway concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Ordinary Resolution for approval of the Members, as set out at item no. 6 of this Notice.

On Behalf of the Board  
For ELIN APPLIANCES PVT. LTD.

*Vinay Kumar Sethia*

(Vinay Kumar Sethia)  
Whole-Time Director  
DIN: 00082184

Place: New Delhi  
Date: 7<sup>th</sup> August, 2025

## Annexure

Name of Director	VINAY KUMAR SETHIA	GAURAV SETHIA	M/S PRIYANKA JAIN
Category of Directorship	WHOLE-TIME DIRECTOR	WHOLE-TIME DIRECTOR	Non-executive Independent Director
DIN	00082184	02902047	00618931
Date of Birth	21-05-1951	19-03-1985	25-01-1977
Age	74 Years	40 Years	48 years
Date of Appointment on the Board	29/09/2021	13/07/2020	08/02/2025
Qualification & Experience	Bachelor's degree in commerce from University of Calcutta and has approximately 49 years of experience in electronic manufacturing services sector	Bachelor's degree in engineering from Visveswaraiah Technological University, Belgaum, Karnataka. He has approximately 15 years of experience in business development and communication.	Ms. Priyanka Jain is a Chartered Accountant and MBA in Finance. She has 10+ years of experience as a director in the Skilwiz Pvt Ltd & Sundeep Global Pvt Ltd. She is a Co-founder of Guftagu A Circle of trust (A business networking platform). As per the qualification she has grip over various areas like finance, management and systems audits, governance and risk management etc.
No. of other Directorships	Mavika Estate Creators Pvt Ltd	Mavika Estate Creators Private Limited	Skilwiz Pvt Ltd , Sundeep Global Pvt Ltd & Elin Electronics Ltd.
Chairman / Member of the Committees of the Board of Other Companies	NIL	NIL	Elin Electronics Ltd Chairperson-3 Member-2
No. of Equity Shares held in the Company	NIL	NIL	NIL
Number of Board Meetings attended during the year	4/4	4/4	Not- Applicable
Terms and conditions of appointment / re-appointment	Director liable to retire by rotation	Director liable to retire by rotation	Non-Executive, Independent Director, not liable to retire by rotation.

Remuneration sought to be paid and the remuneration Last drawn	Rs. 8,00,000/- per month with perquisites and the remuneration last drawn is Rs. 8,00,000/- per month	Rs. 8,00,000/- per month with perquisites, with effect from 01st April 2022 and the remuneration Last drawn is 8.47 Millions.	See Note below
Relationship with Other Directors, Manager and Key Managerial Personnel	Not related to any Director, Manager or Key Managerial Personnel of the Company.	Not related to any Director, Manager or Key Managerial Personnel of the Company.	No relationship with other Director, Manager and Key Managerial Personnel
Justification for choosing the Independent Director	Not Applicable	Not Applicable	Mentioned in Explanatory Statement of Notice

Note: The Non-Executive Directors (including Independent Directors) are paid sitting fee for attending meetings of Board of Directors, Independent Directors and various Committee of Directors.

## ELIN APPLIANCES PRIVATE LIMITED

Registered Office: 4771, Bharat Ram Road, 23, Daryaganj, New Delhi -110002

CIN: U29300DL2002PTC425099

Email id: rkc@elinindia.com, Phone no: 011 43000427, Website- www.elinindia.com

### BOARD'S REPORT

TO THE MEMBERS

Yours Directors present the 23<sup>rd</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2025.

### FINANCIAL RESULTS

(Figures in INR  
Millions\*)

	2024-25	2023-24
Revenue from operations	2771.81	2393.77
Profit before Depreciation, Finance Costs and Tax	281.42	53.94
Less: Financial Costs	13.54	3.85
Less: Depreciation	41.99	31.99
Profit before taxation	225.89	18.10
Taxation - Current Tax	(19.41)	(1.91)
- Deferred Tax	(17.63)	(1.65)
- MAT Credit entitlement for the year	0	0
-Tax related to Earlier Year	0	0
Profit after Tax	188.85	14.54
Profit brought forward	728.64	714.10
Transfer to Reserve	0	0
Profit carried to balance sheet	917.49	728.64
EPS (Basic and diluted) (amount in INR)	944.27	72.70

\*Figures as per (Ind AS)

### DIVIDEND

The Directors do not recommend dividend to conserve resources for future expansion.

### PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

During the year under review, the revenue from operations increased by 15.79% to Rs. 2771.81 Millions as against Rs. 2393.77 Millions in the previous year. The net profit after tax increased by 1198.83% to Rs. 188.85 Millions as against Rs. 14.54 Millions in the previous year.

### CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business during the financial year 2024-25.

### 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.

#### RISK MANAGEMENT POLICY

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.

#### INTERNAL FINANCIAL CONTROLS

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

#### RELATED PARTIES TRANSACTIONS

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.

The disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is attached as an Annexure-I.

#### HOLDING COMPANY

"Elin Electronics Ltd." is the holding company, holding 100% of the share capital of the company. The company being a subsidiary of "Elin Electronics Ltd.", the public listed company, is a 'deemed public company' pursuant to provisions of section 2(71) of the Companies Act 2013.

#### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Associate and Joint venture as defined under the Companies Act, 2013 during the year under review.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees or investments given and covered under Section 186 of the Companies Act, 2013 are given in notes to the financial statements.

#### PUBLIC DEPOSITS

The Company has not accepted any public deposits during the year.

#### DIRECTORS

Members may note that pursuant to Section 152 of the Companies Act 2013 applicable to Public Companies Shri Gaurav Sethia (DIN:02902047), Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his re-appointment for approval of shareholders in the ensuing Annual General Meeting.

Mr. Kamal Singh Baid (DIN:07149567) Non-Executive Independent Director of the Company has completed his second and final term of five (5) consecutive years on 29th March, 2025 with "Elin Electronics Limited" (Holding Company). Consequently, he cease to be the Director of the Company and its holding Company and member of the respective committees of the Board of Holding Company with effect from 30<sup>th</sup> March, 2025. The Board of Directors and management of the Company expressed deep appreciation and gratitude for the invaluable contributions, guidance and services rendered by Mr. Kamal Singh Baid

(DIN:07149567) during his tenure as a Non-Executive and Independent Director of the Company.

The Board of Directors in its meeting held on<sup>1</sup>February 08, 2025 have appointed, Ms. Priyanka Jain (DIN: 00618931) as an Additional Director (Non-Executive Independent Director) of the Company subject to the approval of members at the ensuing Annual General Meeting for a first term of 5 (five) consecutive years from February 08, 2025 upto February 07, 2030, not liable to retire by rotation.

The Company has received declaration from the Independent Director that she meet the criteria of Independence laid down under the Companies Act, 2013 ("the Act"). The Independent Director has also confirmed that she has registered himself in the databank of persons offering to become Independent Directors. The Independent Director of the Company has been appointed as per the provisions of the Act.

#### DIRECTOR'S RESPONSIBILITY STATEMENT

The directors hereby confirm:

- 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.

#### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to Section 135(9) of Companies Act, 2013, [inserted by the Companies (Amendment) Act, 2020 vide Notification dated 28th September, 2020], made effective from 22nd January 2021, where the amount to be spent by a company for CSR in a financial year does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under section 135 shall, in such cases, be discharged by the Board of Directors of such company. The amount which was required to be spent by the company on CSR in a financial year 2024-25 as per section 135(5) of the Companies Act, 2013, was less than fifty lakh rupees. Hence, in view of said amendment, the company is not required to have CSR Committee and the Board of directors would oversee the CSR activities of the company.

Annual Report on Corporate Social Responsibility (CSR) For Financial Year 2024-25 is attached as an Annexure-II.

#### MEETINGS OF THE BOARD

During the year Five meetings of the Board were held on 30<sup>th</sup> May, 2024, 06<sup>th</sup> August, 2024, 12<sup>th</sup> November, 2024, 08<sup>th</sup> February, 2025 and 31<sup>st</sup> March, 2025.

#### 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 2024-25 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 under the same.

#### STATUTORY AUDITORS & AUDITORS' REPORT

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/ E300005), the Statutory Auditors of the Company had been appointed as the Statutory Auditors for a first term of 4 consecutive years from the conclusion of 21<sup>st</sup> Annual General Meeting (AGM) held on 30<sup>th</sup> September, 2023 till conclusion of 25<sup>th</sup> AGM of the Company to be held in the year 2027 at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined in consultation with the Auditors and duly approved by the Board of Directors of the Company.

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

The Auditor's Reports on the Financial Statements for the financial year ended 31<sup>st</sup> March, 2025 does not contain any qualification, reservation or adverse remark requiring any explanations/ comments by the Board of Directors.

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

#### SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board of Directors of your Company in their meeting held on May 26, 2025 have appointed M/s P. P. Agarwal & Co., (Firm Registration No. S2012DE174200), Company Secretaries as Secretarial Auditors of the Company for a term of five (5) consecutive financial years (FY) commencing from 2025-26 to 2029-30. M/s P.P. Agarwal & Co., Company Secretaries have provided their consent to be appointed as Secretarial Auditors of the Company for a term of five (5) consecutive Financial Years (FY) commencing from 2025-26 to 2029-30 and also confirmed that they are not disqualified to be appointed as Secretarial Auditors of the Company.

Pursuant to compliance of Regulation 24A of the SEBI LODR Regulations, Company's unlisted material subsidiary also undergo Secretarial Audit. The Company is the material subsidiary of ELIN ELECTRONICS LTD for the FY 2024-2025. Accordingly, the Secretarial Audit Reports of the Company in the prescribed Form No. MR-3 is attached as Annexure - III forming part of this Report. The Secretarial Audit Report of your Company does not contain any qualification, reservation, adverse remark or disclaimer.

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

ANNUAL RETURN

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at [www.elinindia.com](http://www.elinindia.com).

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 (SSI and SS2), relating to Meetings of the Board and General Meetings respectively, which have mandatory application during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS & OUTGO

The information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required pursuant to Companies (Accounts) Rules 2014 is given as under:

A) CONSERVATION OF ENERGY:-

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

1. Conversion of old Molding machine with new servo motor machine
2. Conversion of OLD Fluorescent lights(36WATT) with LED lights(20 WATT)
3. Replacing old HPSV 250 w and 48 w lights with no. of solar Light
4. Switch OFF cooling tower fan motor during winter nights(4 month)
5. Cyclic timer to ON -OFF for STP blower motor
6. Conversion of old Hydraulic Molding machine with new Electrical Moulding machine
7. By implementing 2k Injection Molding machine
8. Transitioning to renewable energy sources like solar, The steps taken by Elin as get Commercial Proposal for utilizing Alternate Sources of Energy- capacity of 607 KWp Solar Power Plant installation on company rooftops shall be execute in this FY. 2025-26

**(ii) the steps taken by the company for utilizing alternate sources of energy;**

Replacing old HPSV 250 w and 48 w lights with no. of solar Light
Transitioning to renewable energy sources like solar, The steps taken by Elin as get Commercial Proposal for utilizing Alternate Sources of Energy- capacity of 607 KWp Solar Power Plant installation on company rooftops shall be execute in this FY. 2025-26

**iii. The capital investment on energy conservation equipment's;**

The capital investment during last three years on energy conservation equipments is Rs. ₹ 1,08,75,983.00 as installed Fully electric injection moulding machine (make by JSW) for Plastic components of male grooming Trimmer & Heated Hair Brush.

**B TECHNICAL ABSORPTION:-**

Self-reliance in new product development, import substitution and cost reduction attempts are made for sourcing of material and components for cost effectiveness.

Imported Technology (imported during the last 3 years) - NIL

Expenditure incurred on Research & Development - NIL

**C) FOREIGN EARNINGS & OUTGOS:-**

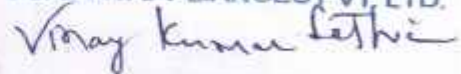
	(Rs. in Lacs)	
	<u>2024-25</u>	<u>2023-24</u>
Total Foreign Exchange Outgo (actual outflow)	6,133.12	4,886.73
Total Foreign Exchange earned (actual inflow)	Nil	Nil

**ACKNOWLEDGEMENT**

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

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

For and on behalf of the Board  
For Elin Appliances Pvt. Ltd.  
For ELINAPPLIANCES PVT. LTD.



Director/Authorised Signatory

Vinay Kumar Sethia  
Whole-time Director & Chairman  
DIN: 00082184

Date: 26.05.2025  
Place: New Delhi

## ELIN APPLIANCES PRIVATE LIMITED

Registered Office: 4771, Bharat Ram Road, 23, Daryaganj, New Delhi -110002

CIN: U29300DL2002PTC425099

Email id: rkc@elinindia.com, Phone no: 011 43000427, Website- www.elinindia.com

## Form No. AOC-2

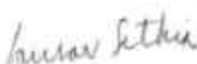
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

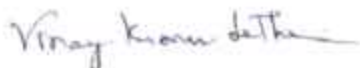
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: - NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of Related party and Nature of Relationship	Nature of contract/ transactions	Duration of Contract/ transactions	Salient terms of contract/ transactions	Approval by the Board/ shareholder	Amount paid as advance, if any
<u>Elin Electronics Ltd.</u> (Holding company- holding 100% shares)	-Purchase of Motors, Plastic Molded items/sheet metalParts/DTM & components  - Purchase/Sale of Fixed Assets  -Payment for Job work services  -Sale of Components /Plastic Dana & Spare Parts  -Job work sales/receipts  - Rent receipt/Payment	On-going transactions / contract	Regular commercial transactions/ rent contract	30 <sup>th</sup> May, 2024	Nil

For and on behalf of the Board  
For Elin Appliances Pvt. Ltd.Place: New Delhi  
Date: 26.05.2025
  
 Gaurav Sethia  
 Whole-time Director  
 DIN: 02902047

  
 Vinay Kumar Sethia  
 Whole-time Director  
 DIN: 00082184

## Annexure- II

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY FOR THE 2024-25

**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:** Not applicable for FY 2024-25

**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:** [www.elinindia.com](http://www.elinindia.com)

**4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:** **Not Applicable**

5. a. Average net profit of the Company as per section 135(5): Rs. 66.08 Millions

b. Two percent of average net profit of the Company as per section 135(5): Rs. 1.32 Millions

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

d. Amount required to be set off for the financial year, if any: **Nil**

e. Total CSR obligation for the financial year (b+c- d): Rs. 1.32 Millions

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 1.74 Millions

(b) Amount spent in Administrative Overheads: NIL

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

(d) Total amount spent for the Financial Year (a+b+c): Rs. 1.74 Millions

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (Rs. in Lacs)	Amount Unspent (Rs. in Lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (Rs. in Lacs)	Date of Transfer	Name of the Fund	Amount (Rs. in Lacs)	Date of Transfer
Rs. 1.74 Millions	<b>Not Applicable</b>				

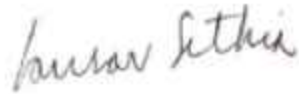
(f) Excess Amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average <u>net profit</u> of the company as per sub-section (5) of section 135	Rs. 1.32 Millions
(ii)	Total amount spent for the Financial Year	Rs. 1.74 Millions
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Rs. 0.42 Millions
(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)]	Rs. 0.42 Millions

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

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (Rs. in Lacs)	Balance Amount in Unspent CSR Account under sub-section 6 of Section 135	Amount spent in the Financial Year ( in Lacs)	Amount transferred to a fund specified under Schedule VII as per second proviso to subsection (6) of Section 135, if any			Amount remaining to be spent in succeeding financial years. (J in Lacs)	Deficiency, if any
					Name of the Fund	Amount (J in Lacs)	Date of transfer		
Not Applicable									

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:  
Yes / No- Not Applicable
9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section 5 of Section 135.  
Not Applicable



Gaurav Sethia  
Whole-time Director  
DIN: 02902047



Vinay Kumar Sethia  
Whole-time Director  
DIN: 00082184

Place: New Delhi  
Date: 26.05.2025



# AKSHAT GARG & ASSOCIATES

Secretarial, Legal & Corporate Advisory Services  
Peer Reviewed Firm



ACS  
Advisors

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

## FORM No. MR-3 SECRETARIAL AUDIT REPORT

for the Financial Year ended 31.03.2025

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31<sup>st</sup>, 2025** 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, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;  
**(Not applicable to the Company during the Audit Period);**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period);**
- (b) The Securities and Exchange Board of India (Depositories and participants) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period);**
- (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(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, 2021 **(Not applicable to the Company during the Audit Period);**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period);**
- (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (k) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the Audit Period);**

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

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

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

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 the proper balance of Executive Directors, Non-Executive Director and Independent Director. There were following changes in the composition of the Board of Directors of the company during the year 2024-25:

- (a) The Board of Directors at their meeting held on February 08, 2025 had appointed Ms. Priyanka Jain (DIN: 00618931) as an Additional Director (Non-Executive & independent) on the Board of the Company to hold office for a first term of five

consecutive years with effect from 8<sup>th</sup> February, 2025 subject to the approval of the members in the ensuing Annual General Meeting.

- (b) Mr. Kamal Singh Baid (DIN:07149567), Non-Executive Independent Director of the Company had completed his second and final term of five (5) consecutive years on March 29, 2025 with Elin Electronics Limited (Holding company). Consequently, he ceased to be the Director of the Company and Elin Electronics Limited (Holding company) from closure of business hours on March 29, 2025.

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.

Date: 26.05.2025  
Place: Ghaziabad

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

AKSHAT GARG

Chartered by  
MCA 21  
No. 20210638  
00000-0000

(CS Akshat Garg)

**Prop.**

C. P. No. 10655

M. No. F9161

UDIN: F009161G000445586

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Elin Appliances Private Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of Elin Appliances Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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.

**Responsibility of Management for the Financial Statements**

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



position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the [Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books as disclosed in note 42 to the financial statement except that (a) the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis and (b) for the matters stated in the paragraph 2 (i) (vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under section 143(3)(b) and paragraph 2 (i) (vi) below on reporting under Rule 11(g).;
  - (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;



- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. No dividend has been declared or paid during the year by the Company.
  - vi. Based on our examination which included test checks, and as explained in note 43 to the financial statement. The Company has used accounting software which is operated by a third-party software service provider, for maintaining its books of account. Since, the verification of audit trail feature is not covered in the SOC 1 Type 2 report, we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of an accounting software.



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

Additionally, for the reasons stated in note 43 to the financial statements, we are unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Divya Mathur**

Partner

Membership Number: 506846

UDIN: 25506846BMNTEE1136

Date: May 26, 2025



**ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE OF ELIN APPLIANCES PRIVATE LIMITED (“the Company”).**

**In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:**

- (i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i)(a)(B) The Company has not capitalized any intangible assets in books of account of the Company and accordingly, the requirement of report on Clause 3(i)(a)(B) of the order is not applicable to the Company.
- (b) All Property, Plant and Equipment were physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2025.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2025 and no discrepancies were noticed in respect of such confirmations. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (b) As disclosed in note 16 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the unaudited books of accounts of the Company.

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

Particulars	Loan to employees (In INR Millions)
Aggregate amount provided during the year	1.48
Employee loans	
Balance outstanding as at balance sheet date in respect of above cases	0.62
Employee loans	



- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans to employees are not prejudicial to the Company's interest.
- (c) The Company has granted loans to employees where the schedule of repayment of principle has been stipulated and the repayment or receipt are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of Electronics Items, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According the records of the Company, the dues outstanding of provident fund, sales-tax, customs duty, and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (In Rs Millions)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	52.73	AY 2014-15 to AY 2018-19	Commissioner of income Tax (Appeal)
Employees Provident Fund & Miscellaneous Provision Act, 1952	Provident Fund	0.94	From April 2009 to March 2019	Regional Provident Fund Commissioner-II



## Net of amount paid under protest /adjusted against refunds

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year, hence the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions for section 177 are not applicable to the Company and accordingly the requirement to report under Clause 3(xiii) of the order insofar as it relates to Section 177 of the Act is not applicable to the Company.



# **S.R. BATLIBOI & CO. LLP**

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- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 40 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 to the financial statements.



# **S.R. BATLIBOI & Co. LLP**

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- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 36 to the financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



Per **Divya Mathur**

Partner

Membership Number: 506846

UDIN: 25506846BMNTEE1136

Place of Signature: Gurugram

Date: May 26, 2025



**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ELIN APPLIANCES PRIVATE LIMITED**

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

We have audited the internal financial controls with reference to financial statements of Elin Appliances Private Limited ("the Company") as of March 31, 2025 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 Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls With Reference to these Financial Statements**

A company's internal financial controls with reference to 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 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



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls With Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Divya Mathur**

Partner

Membership Number: 506846

UDIN: 25506846BMNTEE1136

Place of Signature: Gurgaon

Date: May 26, 2025



ELIN APPLIANCES PRIVATE LIMITED

Standalone Balance Sheet as at March 31, 2025

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

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
<b>Assets</b>			
<b>Non-current Assets</b>			
(a) Property, Plant and Equipment	3	398.03	380.97
(b) Financial Assets			
(i) Investments	4	114.32	18.08
(ii) Other Financial Assets	5	0.57	0.69
(c) Other non-current assets	7	19.79	13.49
<b>Total Non Current Assets</b>		<b>532.71</b>	<b>413.23</b>
<b>Current Assets</b>			
(a) Inventories	8	204.08	238.03
(b) Financial Assets			
(i) Investments	9	5.26	4.90
(ii) Trade receivables	10	811.03	696.40
(iii) Cash and cash equivalents	11	0.11	0.14
(iv) Bank balances other than (iii) above	12	-	0.31
(v) Other Financial Assets	13	0.80	0.68
(c) Current Tax Assets (net)	19	0.04	0.81
(d) Other current assets	14	61.10	49.18
<b>Total Current Assets</b>		<b>1,082.42</b>	<b>990.45</b>
<b>Total Assets</b>		<b>1,615.13</b>	<b>1,403.68</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	2.00	2.00
(b) Other Equity	15	958.39	767.36
<b>Total Equity</b>		<b>960.39</b>	<b>769.36</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
(a) Deferred tax liabilities (Net)	6	41.11	22.77
<b>Total Non Current Liabilities</b>		<b>41.11</b>	<b>22.77</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	122.24	107.47
(ii) Supplier's credit	17(a)	51.69	56.89
(iii) Trade payables			
- total outstanding dues of micro and small enterprises	17(b)	84.61	86.40
- total outstanding dues of creditors other than micro and small enterprises	17(b)	314.37	335.79
(iv) Other financial liabilities	18	11.14	11.20
(b) Other current liabilities	20	23.75	7.95
(c) Provisions	21	5.83	5.85
<b>Total Current Liabilities</b>		<b>613.63</b>	<b>611.55</b>
<b>Total Liabilities</b>		<b>654.74</b>	<b>634.32</b>
<b>Total Equity and Liabilities</b>		<b>1,615.13</b>	<b>1,403.68</b>
The accompanying notes form an integral part of the standalone financial statements.	1-43		

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

Divya Mathur  
Partner

Membership No.: 506846

Place : Gurgaon  
Date : May 26, 2025



For and on behalf of the Board of Directors

Vinay Kumar Sethia

Vinay Kumar Sethia  
Director

DIN: 00082184



Gaurav Sethia

Gaurav Sethia  
Director

DIN: 02902047

Place : New Delhi  
Date : May 26, 2025

**ELIN APPLIANCES PRIVATE LIMITED**

**Standalone Statement of Profit & Loss for the year ended March 31, 2025**

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

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>I INCOME</b>			
Revenue from operations	22	2,771.81	2,393.77
Other Income	23	198.46	6.68
<b>Total Income (I)</b>		<b>2,970.27</b>	<b>2,400.45</b>
<b>II EXPENSE</b>			
Cost of Material Consumed	24	2,322.39	1,960.38
Purchases of stock-in-trade		7.91	25.61
Change in inventories of finished goods, work-in progress and stock-in-trade	25	7.46	20.77
Employee benefits expense	26	261.10	244.37
Finance Costs	27	13.54	3.85
Depreciation & amortization expenses	3	41.99	31.99
Other Expenses	28	89.99	95.38
<b>Total Expenses (II)</b>		<b>2,744.38</b>	<b>2,382.35</b>
<b>III Profit before tax (I - II)</b>		<b>225.89</b>	<b>18.10</b>
<b>IV Tax expenses</b>	39		
- Current tax		18.60	2.10
- Adjustment of tax relating to earlier period		0.81	(0.19)
- Deferred Tax		17.63	1.65
<b>Total tax expenses</b>		<b>37.04</b>	<b>3.56</b>
<b>V Profit for the year (III-IV)</b>		<b>188.85</b>	<b>14.54</b>
<b>VI Other comprehensive Income (OCI):</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit plans		2.81	8.03
Tax expense on items that will not be reclassified to profit or loss		(0.71)	(2.02)
<b>Items that will be reclassified to profit or loss</b>			
Gain/(Loss) on Equity Instruments designated through OCI		0.08	-
Tax expense on items that will be reclassified to profit or loss			
<b>Other comprehensive income for the year after tax</b>		<b>2.18</b>	<b>6.01</b>
<b>VII Total comprehensive income for the year net of tax (V + VI)</b>		<b>191.03</b>	<b>20.55</b>
<b>VIII Earnings per share from continuing and total operations attributable to the equity holders of the Company [face value of INR 10/- each]</b>	29		
- Basic and diluted (amount in INR)		<b>944.27</b>	<b>72.70</b>
The accompanying notes form an integral part of the Standalone Financial Statements.	1-43		

As per our report of even date attached

For S.R. BATLIBOL & Co. LLP

Chartered Accountants

Firm's Registration No.: 301003E/E300005

Divya Mathur  
Partner

Membership No.: 506846

Place : Gurgaon

Date : May 26, 2025



For and on behalf of the Board of Directors

Vinay Kumar Sethia

Gaurav Sethia

Vinay Kumar Sethia  
Director  
DIN: 00082184

Gaurav Sethia  
Director  
DIN: 02902047

Place : New Delhi

Date : May 26, 2025



**ELIN APPLIANCES PRIVATE LIMITED**

**Standalone Statement of Cash Flows for the year ended March 31, 2025**

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>I. Cash flow from Operating Activities :</b>		
Net Profit before tax	225.89	18.10
Adjustments for :		
Depreciation and amortization expenses	41.99	31.99
Loss on disposal of property, plant and equipment (net)	-	0.08
Fair value (gain) on financial assets held at fair value through profit or loss	(188.44)	(0.31)
Provision for doubtful debt (written back) / written off	0.11	0.12
Dividend and interest income	(0.08)	(1.82)
Finance costs	13.54	3.86
	<b>(132.88)</b>	<b>33.92</b>
<b>Change in operating assets and liabilities :</b>		
(Increase)/decrease in trade and other receivable	(132.66)	(107.64)
(Increase)/ Decrease in Inventories	33.95	(26.43)
Increase/ (Decrease) in trade and other payables	(9.87)	192.64
	<b>(108.58)</b>	<b>58.57</b>
<b>Cash generated from operations</b>	<b>(15.57)</b>	<b>110.59</b>
Income taxes paid (net)	(18.64)	(5.11)
<b>Net cash generated from / (used in) operating activities</b>	<b>(34.21)</b>	<b>105.48</b>
<b>II Cash flow from Investing activities</b>		
Purchase for property, plant and equipment including CWIP	(59.05)	(82.70)
Proceeds from sale of property, plant and equipment	0.00	3.65
Proceeds from sale of Current Investment	91.92	-
Dividends received	0.04	1.77
Interest received	0.04	0.04
<b>Net Cash generated from / (used in) investing activities</b>	<b>32.95</b>	<b>(77.24)</b>
<b>III Cash flow from Financing Activities</b>		
Proceeds from borrowings	14.77	-
(Repayment) of borrowings	-	(24.36)
Finance Costs paid	(13.54)	(3.86)
<b>Net Cash generated from / (used in) financing activities</b>	<b>1.23</b>	<b>(28.22)</b>
<b>IV Net increase/(decrease) in cash &amp; cash equivalents (I + II + III)</b>	<b>(0.03)</b>	<b>0.01</b>
<b>V Cash and cash equivalents at the beginning of the year</b>	<b>0.14</b>	<b>0.13</b>
<b>VI Cash and cash equivalents at end of the year</b>	<b>0.11</b>	<b>0.14</b>

**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 11) comprise of the followings:

Cash on hand

Balances per statement of cash flows

0.11	0.14
<b>0.11</b>	<b>0.14</b>

4 Analysis of movement in borrowings

Borrowings at the beginning of the year

Cash flows

Non cash changes

Borrowings at the end of the year

107.47	131.83
14.77	(24.36)
-	-
<b>122.24</b>	<b>107.47</b>

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

Firm's Registration No.: 301003E/E300005

Divya Mathur

Partner

Membership No.: 506846

Place : Gurgaon

Date : May 26, 2025



For and on behalf of the Board of Directors

Vinay Kumar Sethia

Vinay Kumar Sethia

Director

DIN: 00082184

Gaurav Sethia

Gaurav Sethia

Director

DIN: 02902047

Place : New Delhi

Date : May 26, 2025

**ELIN APPLIANCES PRIVATE 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, 2023	2.00
Issue of Share Capital	-
Balance as at March 31, 2024	2.00
Issue of Share Capital	-
Balance as at March 31, 2025	2.00

**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, 2023	13.50	4.50	714.10	0.54	14.17	746.81
Profit for the year	-	-	14.54	-	6.01	20.55
Balance as at March 31, 2024	13.50	4.50	728.64	0.54	20.18	767.36
Profit for the year	-	-	188.85	0.08	2.10	191.03
Balance as at March 31, 2025	13.50	4.50	917.49	0.62	22.28	958.39

As per our report of even date attached

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

Firm's Registration No.: 301003E/E300005

*Divya Mathur*  
**Divya Mathur**  
 Partner

Membership No.: 506846

Place : Gurgaon

Date : May 26, 2025



For and on behalf of the Board of Directors

*Vinay Kumar Sethia*

Vinay Kumar Sethia  
**Director**  
 DIN: 00082184

Gaurav Sethia  
**Director**  
 DIN: 02902047  
 Place : New Delhi  
 Date : May 26, 2025



## Elin Appliances Private Limited

### Material Accounting Policies

(Amount in INR million, unless otherwise stated)

#### 1. Corporate information

Elin Appliances Private Limited ('the Company') was incorporated in India on August 21, 2002 under the provisions of the Companies Act, 1956 (CIN U29300DL2002PTC425099). The Company is engaged in the business of Electrical & Electronic Products and Components. The registered office of the company is located at 4771, Bharat Ram Road, 23, Daryaganj, New Delhi-110002 (India) and manufacturing plants in the state of Himachal Pradesh.

The Standalone Financial Statements is approved for issue by the Company's Board of Directors in their meeting held on May 26, 2025.

#### Changes in accounting policies and disclosures:-

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

##### (i) Definition of Accounting Estimates - Amendments to Ind AS 8

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

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

##### (ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

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

##### (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

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

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

#### 2. Material accounting policies

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

##### 2.1 Basis of Preparation

###### 2.1.1 Statement of compliance

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

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

###### 2.1.2 Historical Cost Convention

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

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



## Elin Appliances Private Limited

### Material Accounting Policies

(Amount in INR million, unless otherwise stated)

#### 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 1000 have been rounded and are presented as INR 0.00 Millions in the Standalone Financial Statements.

#### Summary of material accounting policies

##### 2.2 Current vs non-current classification

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

An asset is treated as current when it is:

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

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

##### 2.3 Property plant and equipment

#### Recognition and Initial Measurement

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

Cost of asset includes:

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

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

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.



## Elin Appliances Private Limited

### Material Accounting Policies

(Amount in INR million, unless otherwise stated)

#### Subsequent measurement

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

#### Depreciation and useful lives

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies act, 2013.

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

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

#### Derecognition

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

#### **2.4 Intangible assets**

Intangible assets acquired separately are stated at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are amortized on straight line basis over the estimated useful life. Estimated useful life of the software is considered as 3 years. 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 Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories are recognized in the Standalone Statement of Profit and loss.

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount



## Elin Appliances Private Limited

### Material Accounting Policies

(Amount in INR million, unless otherwise stated)

of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior period. Such reversal is recognized in the Standalone Statement of Profit and loss.

#### 2.6 Inventories

- a) Inventories (including traded goods) are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:
- **Raw materials:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
  - **Finished goods and intermediate products (including manufactured components):** Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on first in, first out basis.
  - **Stores and spares, consumables and packing materials** cost includes direct expenses and is determined on the basis of first in first out method.
- b) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

#### 2.7 Revenue recognition

Revenue is measured at the transaction price that is allocated to the performance obligation and it excludes amounts collected on behalf of third parties and is adjusted for variable considerations. Any subsequent change in the transaction price is then allocated to the performance obligations in the contract on the same basis as at contract inception. The Company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The Company estimates the amount of revenue to be recognized on variable consideration using most likely amount method. Consequently, amounts allocated to a satisfied performance obligation are 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 is transferred to the customer at the time of shipment to or receipt of goods by the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

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

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

##### b) Other Operating Revenue

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

##### c) Other Revenue

- **Interest income:** Interest income is 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.

##### d) Contract balances

- **Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If



## Elin Appliances Private Limited

### Material Accounting Policies

(Amount in INR million, unless otherwise stated)

the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

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

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

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

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

## 2.8 Taxes

Tax expense comprises current tax expense and deferred tax.

#### a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment.

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

#### b) Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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



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allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

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

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### 2.9 Foreign currencies

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

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

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

#### 2.10 Employee benefit

##### a) Short-term employee benefits

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

##### b) Post-employment benefits

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

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

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

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

The employees' leave encashment scheme is managed by HDFC Life Insurance Company Limited which is a defined benefit plan. The



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present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method and is recognised on the basis of eligible leave balances of employees' as on valuation date.

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

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

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

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

#### c) Other long-term employee benefits

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

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

#### 2.11 Cash and cash equivalents

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

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

#### 2.12 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction of qualifying assets are 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 result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risk and uncertainties surrounding the obligation.

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

##### b) Warranties

Provisions for the expected liability of warranty obligations under sale of goods are recognised at the management's best estimate if



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the claims of the customers under warranty are probable and the amount can be reasonably estimated.

#### c) Contingent liabilities

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

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

#### d) Contingent assets

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

### 2.14 Leases

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

#### a) Company as a lessee

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

##### i) Right-of-use assets

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

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

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

##### ii) Lease liabilities

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

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

##### iii) Short term lease and leases of low value assets

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



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basis over the lease term.

#### iv) Single discount rate

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

#### b) Company as a lessor

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

### 2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables issued are initially recognised when they 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 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.

##### 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 are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

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



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#### 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 interest income, 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.

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

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

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

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

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

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

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

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

#### Derecognition of financial assets

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

If the Company enters into transactions whereby it transfers assets recognized on its Standalone statement of assets and liabilities



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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 Company has not designated any financial liabilities at FVTPL.

##### (ii) Financial liabilities at amortized cost

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

##### Derecognition of financial liabilities

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

#### c) Reclassification of financial assets and liabilities

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

#### d) Offsetting of financial instruments

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

### 2.16 Fair value measurement

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

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

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

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

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

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

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



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

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for the fair value. Other fair value related disclosures are given in note 44.

#### 2.17 GST Credit

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

#### 2.18 Earnings per share

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

#### 2.19 Segment reporting

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

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

#### 2.20 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and 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.



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#### 2.22 Significant accounting estimates and judgments

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

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

#### Significant judgements

- **Allowances for uncollected trade receivables**

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

- **Contingencies**

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

- **Impairment of other financial assets**

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

- **Taxes**

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

- **Recoverability of deferred taxes**

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- **Impairment of non-financial assets**

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



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#### Significant estimates

##### • **Defined benefit plans**

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

##### • **Useful lives of property, plant and equipment and intangible assets**

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

##### • **Leases - Estimating the incremental borrowing rate**

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

##### • **Determining the lease term of contracts with renewal and termination options — Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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

##### • **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Standalone statement of assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

##### • **Warranties**

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the company assesses the requirement of provisions against the outstanding warranties. However, the actual future outcome may be different from management's estimates. Product warranty liability and warranty expenses are recorded if the claims of the customers under warranty are probable and the amount can be reasonably estimated.

#### 2.23 Exceptional Items

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



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ELIN APPLIANCES PRIVATE LIMITED  
Notes to Standalone Financial Statements for the year ended March 31, 2025  
(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 (Freehold)	Total
<b>Gross Carrying Value</b>										
Balance as at April 1, 2023	192.64	246.38	89.57	17.68	8.33	4.31	8.51	3.27	21.30	591.99
Additions	45.27	4.47	29.31	1.78	-	0.45	2.34	-	-	83.62
Disposals	2.15	-	3.44	-	-	0.11	0.26	0.06	-	6.02
Balance as at March 31, 2024	235.76	250.85	115.44	19.46	8.33	4.65	10.59	3.21	21.30	669.59
Additions	8.08	-	48.25	0.41	-	1.42	0.89	-	-	59.05
Disposals	-	-	0.01	-	-	-	-	-	-	0.01
Balance as at March 31, 2025	243.84	250.85	163.68	19.87	8.33	6.07	11.48	3.21	21.30	728.63
<b>Accumulated depreciation</b>										
Balance as at April 1, 2023	85.25	117.73	24.61	13.09	6.38	3.43	6.75	1.67	-	258.92
Depreciation charge for the year	14.57	5.65	8.36	1.11	0.42	0.41	1.18	0.29	-	31.99
Disposals	1.83	-	0.06	0.04	-	0.11	0.25	-	-	2.29
Balance as at March 31, 2024	97.99	123.38	32.91	14.16	6.80	3.73	7.68	1.96	-	288.62
Depreciation charge for the year	15.57	5.70	17.76	0.73	0.32	0.34	1.29	0.28	-	41.99
Disposals	-	-	0.01	-	-	-	-	-	-	0.01
Balance as at March 31, 2025	113.56	129.08	50.66	14.89	7.12	4.07	8.97	2.24	-	330.60
<b>Net Carrying Value</b>										
Balance as at March 31, 2024	137.77	127.47	82.53	5.30	1.53	0.92	2.91	1.25	21.30	380.97
Balance as at March 31, 2025	130.28	121.77	113.02	4.98	1.21	2.00	2.51	0.97	21.30	398.03

Notes:

- Refer Note 16 for details of assets pledged.
- The Company had elected to continue with the carrying value of property, plant and equipment as recognised in the financial statements as per previous GAAP and had regarded those values as the deemed costs on the date of transition (i.e. April 1, 2018).
- For contractual commitment related to property, plant and equipment - Refer Note 32(b)



## 4 Non-Current Investments &amp; Investment in Holding company

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Quoted Investments (At FVTPL)</b>		
Investment in Equity Instruments		
Holding Company	113.50	17.34
<b>Unquoted equity shares (At FVTOCI)</b>		
<b>Investments - Non-Trade</b>		
Investments in Equity Instruments	0.82	0.74
<b>Total</b>	<b>114.32</b>	<b>18.08</b>

## A. Investment in Holding Company

Particulars	Face value per share (Rs.)	Elin Electronics Ltd.	
		No. of Shares	Amount
<b>Investment in Equity Instruments - Equity Shares</b>			
As at March 31, 2024	5/-	17,34,000	17.34
As at March 31, 2025	5/-	9,55,000	113.50

## 4.1 Detail of Non-Current Investments

Particulars	Shivalik Waste Management Pvt		Total Amount
	No. of Shares	Amount	
<b>Financial assets measured at FVTOCI</b>			
<b>(i) Investment in equity instruments - Equity Shares (Fully paid up)</b>			
As at March 31, 2024	20,000	0.74	0.74
As at March 31, 2025	20,000	0.82	0.82

## B. Additional Disclosures:

Particulars	As at March 31, 2025	As at March 31, 2024
Aggregate carrying value of quoted investments- Holding Company	113.50	17.34
Aggregate carrying value of unquoted investments- Others	0.82	0.74
Aggregate amount of impairment in value of investments	-	-

## C. Additional details of Holding Company

Name of Entity	Principal Activity	Place of incorporation and principal business
Elin Electronics Limited	Manufacturing of Electric Components, Motors & Components Parts	India

4.2. Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

4.3. For Dividend Income, refer note 23

4.4. The Company held 17,34,000 shares in Elin Electronics Limited (Holding Company) which were acquired in the form of original shares, shares split and bonus shares consequent to it being a shareholder in Elin Electronics Limited before becoming a subsidiary of Elin Electronics Limited. During the year, the Company disposed off 779,000 shares of Elin Electronics Limited through open market transactions resulting in gain on sale of current investments amounting to Rs. 74.58 Mn.

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5 Other Non-current Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, Considered Good and measured at amortised cost unless otherwise stated</b>		
Bank deposits with more than 12 months maturity*	-	0.12
Interest Receivable	-	0.01
Security Deposit	0.57	0.56
<b>Total</b>	<b>0.57</b>	<b>0.69</b>

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

6 Deferred tax assets / (liabilities) (net) - (refer note 39)

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

Particulars	Defined benefit obligation	Property, plant and equipment	Provisions & others	Total
<b>As at 01 April, 2023</b>	<b>0.88</b>	<b>(22.74)</b>	<b>2.76</b>	<b>(19.10)</b>
(Changed)/Credited:				
- to Statement of profit and loss	1.98	(3.69)	0.06	(1.65)
- to other comprehensive income	(2.02)	-	-	(2.02)
<b>As at 31 March, 2024</b>	<b>0.84</b>	<b>(26.43)</b>	<b>2.82</b>	<b>(22.77)</b>
(Changed)/Credited:				
- to Statement of profit and loss	0.70	(18.12)	(0.21)	(17.63)
- to other comprehensive income	(0.71)	-	-	(0.71)
<b>As at 31 March, 2025</b>	<b>0.83</b>	<b>(44.55)</b>	<b>2.61</b>	<b>(41.11)</b>

7 Other Non-Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, Considered Good</b>		
Capital Advances*	19.44	13.49
Prepaid Expenses	0.35	-
<b>Total</b>	<b>19.79</b>	<b>13.49</b>

\* includes payment of Rs. 12.97 Mn (P.Y Rs. 12.97 Mn) made for allotment of Land. Land has been allotted but possession and registration in the name of company is pending.

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

Particulars	As at March 31, 2025	As at March 31, 2024
Raw Materials	141.67	132.28
Raw Materials in transit	14.76	50.02
	<b>156.43</b>	<b>182.30</b>
Work-in-progress	35.57	30.61
Finished goods	11.39	23.80
Stores and Spares	0.69	1.32
<b>Total</b>	<b>204.08</b>	<b>238.03</b>

During the year ended March 31, 2025 Rs. 0.09 Mn (March 31, 2024 Rs. 0.58 Mn) was recognised as an expenses for inventories carried at net realisable value. Refer Note 16 for details of inventories pledged.



**ELIN APPLIANCES PRIVATE LIMITED**
**Notes to Standalone Financial Statements for the year ended March 31, 2025**
*(All amounts are in INR Millions, unless otherwise stated)*
**9 Current Financial Assets - Investments**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Quoted Investments</b>		
Investments in Mutual Funds	5.26	4.90
<b>Total</b>	<b>5.26</b>	<b>4.90</b>
<b>Detail of Current Financial Assets - Investments</b>		
Particulars	As at March 31, 2025	As at March 31, 2024
<b>Financial assets carried at fair value through statement of profit or loss (FVTPL)</b>		
<b>Investments in mutual funds - Quoted Investment</b>		
HDFC Group Unit Linked Plan Option B	5.26	4.90
<b>Total Current Investments at FVTPL</b>	<b>5.26</b>	<b>4.90</b>
Aggregate book value of quoted investments	5.26	4.90
Aggregate market value of quoted investments	5.26	4.90
Aggregate amount of impairment in value of investments	-	-

**10 Trade Receivables (Carried at amortised cost)**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Trade Receivables</b>		
Unsecured, considered good	810.89	696.40
Receivables from related parties (refer Note 34)	0.14	-
Trade Receivables - credit impaired	0.81	0.70
Less: expected credit loss allowance	(0.81)	(0.70)
<b>Total</b>	<b>811.03</b>	<b>696.40</b>
<b>Movement in the expected credit loss allowance of trade receivables are as follows:</b>		
Balance at the Beginning of the year	0.70	0.58
Add: Provided during the year	0.11	0.12
Less: Amount written off	-	-
<b>Balance at the end of the year</b>	<b>0.81</b>	<b>0.70</b>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>		
Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	0.81	0.70
	<b>0.81</b>	<b>0.70</b>

**10.1 Trade Receivables Ageing Schedule :**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Undisputed Trade receivables – considered good</b>		
Outstanding for following periods from the due date of payment		
Current but not due	724.48	600.34
Less than 6 months	86.55	96.06
6 months - 1 year	-	-
1 -2 years	-	-
2 -3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>811.03</b>	<b>696.40</b>
<b>Undisputed Trade Receivable - Credit impaired</b>		
Outstanding for following periods from the due date of payment		
Current but not due	0.72	0.60
Less than 6 months	0.09	0.10
6 months - 1 year	-	-
1 -2 years	-	-
2 -3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>0.81</b>	<b>0.70</b>
<b>Total Trade Receivable</b>	<b>811.84</b>	<b>697.10</b>



**ELIN APPLIANCES PRIVATE LIMITED**

Notes to Standalone Financial Statements for the year ended March 31, 2025

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

10.2 There are no disputed balances of Trade Receivables as at March 31, 2025 and March 31, 2024.

10.3 No trade receivable or advances are due from directors or other officers of the Company either severally or jointly with any other person. No trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member.

10.4 Trade receivables are non interest bearing and are generally on terms of 45 to 60 days.

10.5 There are no unbilled receivables hence the same is not disclosed in aging schedule.

**11 Cash & cash equivalents**

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.11	0.14
<b>Total</b>	<b>0.11</b>	<b>0.14</b>

**12 Other Bank Balances**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Balances with Bank</b>		
- Deposit with banks (Original maturity more than three months but less than twelve months *)	-	0.31
<b>Total</b>	<b>-</b>	<b>0.31</b>

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

**13 Other Current Financial Assets (Carried at amortised cost)**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, considered good and measured at amortized cost unless otherwise stated</b>		
Accrued Interest on Bank Deposits	0.01	0.00
Deposit with original maturity of more than 12 months	0.12	-
Loans & Advances to Staff & Workers*	0.67	0.68
<b>Total</b>	<b>0.80</b>	<b>0.68</b>

\*Interest free loan and advance given to Staff and Workers.

**14 Other Current Assets**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, considered good</b>		
Balance with Government Authorities	6.45	6.45
Gratuity fund balance (refer note 30)	27.94	26.55
Advance to Suppliers	23.72	15.35
Export Incentive receivables	0.00	0.01
Prepaid Expenses	2.99	0.82
<b>Total</b>	<b>61.10</b>	<b>49.18</b>

\*Export Incentive is recoverable in relation to the export of goods. There are no unfulfilled conditions or contingencies attached to these grants.

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## 15 A. Share Capital

## (i) Authorised Share Capital

Particulars	Equity Share Capital	
	No of Shares	Amount
As at April 01, 2023	2,00,000	2.00
Increase during the year	-	-
As at March 31, 2024	2,00,000	2.00
Increase during the year	-	-
As at March 31, 2025	2,00,000	2.00

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

Particular	Equity Share Capital	
	No of Shares	Amount
As at April 01, 2023	2,00,000	2.00
Add: Shares issued during the year	-	-
Less: Share bought back during the year	-	-
As at March 31, 2024	2,00,000	2.00
Add: Shares issued during the year	-	-
Less: Share bought back during the year	-	-
As at March 31, 2025	2,00,000	2.00

## (iii) Terms/right attached to Equity Shares

The Company has one class of shares having a face value of Rs. 10/- per equity share. The company declares and pay dividends in Indian rupees. The dividend proposed by the board of directors is subject to the approvals of the shareholders in ensuing Annual General Meeting. Each holder of equity shares is entitled to one vote per equity share held in the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

## (iv) Detail of shareholders holding more than 5 percent of Equity Shares

Name of Shareholder	As at March 31, 2025	As at March 31, 2024
Elin Electronics Limited - Holding Company (including shares held by nominees)	2,00,000 100.00%	2,00,000 100.00%

## (v) Disclosures of Shareholding of promoters

Promoter Name	Shares held at March 31' 2025		Shares held at March 31' 2024		% Change during the year ended Mar 31' 2025
	Nos. of Shares	% of Total Shares	Nos. of Shares	% of Total Shares	
Elin Electronics Limited	2,00,000	100.00%	2,00,000	100.00%	-

## B. Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Retained Earnings	917.49	728.64
(ii) Securities Premium	13.50	13.50
(iii) General Reserve	4.50	4.50
(iv) Components of Other Comprehensive Income		
a. Changes in fair value of FVOCI equity instruments	0.62	0.54
b. Remeasurement of defined benefit plans	22.28	20.18
<b>Total</b>	<b>958.40</b>	<b>767.36</b>

## Nature and Purpose of Reserve

a. Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

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.

c. Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

## (i) Retained Earnings

Particulars	Amount
As at April 01, 2023	714.10
Add: Net profit for the year	14.54
Less: Transfer to reserve during the year	-
As at Mar 31, 2024	728.64
Add: Net profit for the year	188.85
As at March 31, 2025	917.49



(ii) Other Reserves

Particulars	Securities Premium	General Reserve
As at April 01, 2023	13.50	4.50
Increase during the year	-	-
Decrease during the year	-	-
As at March 31, 2024	13.50	4.50
Increase during the year	-	-
Decrease during the year	-	-
As at March 31, 2025	13.50	4.50

(iii) Components of Other Comprehensive Income

Particulars	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans
As at April 1, 2023	0.54	14.17
Increase during the year	-	6.01
Decrease during the year	-	-
As at March 31, 2024	0.54	20.18
Increase during the year	0.08	2.10
Decrease during the year	-	-
As at March 31, 2025	0.62	22.28

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**ELIN APPLIANCES PRIVATE LIMITED**
**Notes to Standalone Financial Statements for the year ended March 31, 2025**
*(All amounts are in INR Millions, unless otherwise stated)*
**16 Current Borrowings**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>At amortised cost</b>		
<b>Borrowings - Loans repayable on demands</b>		
<b>Secured</b>		
From banks - Working Capital	122.24	107.47
<b>Total</b>	<b>122.24</b>	<b>107.47</b>

**Notes:**

a. Working Capital loan of 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 company.

b. The Company has availed working capital loan from CITI Bank and ICICI bank is repayable on demand bearing a floating Interest rate on ICICI Bank Loan MCLR 3M + Spread @0.05% (Effective Rate 8.70%) and Fixed interest rate on CITI Bank loan @ 9.00%.

c. The Company has satisfied all the covenants prescribed in terms of borrowings.

d. The Company has not defaulted on repayment of any loans.

**17(a) Supplier's credit**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Supplier's credit</b>	51.69	56.89
<b>Total</b>	<b>51.69</b>	<b>56.89</b>

Suppliers' Credit is availed by group from domestic banks at interest rate ranging from 7.75% - 8.42% (31 March 2024: 8.00% - 8.49%) per annum. These trade credits are largely repayable within 90 days from the date of draw down.

**17(b) Trade Payables (Carried at amortised cost)**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Trade Payables</b>		
Total Outstanding Dues of Micro and Small Enterprises (refer note 31)	84.61	86.40
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	314.37	335.79
<b>Total</b>	<b>398.98</b>	<b>422.19</b>

**17(b).1 Trade Payables Ageing Schedule, on due basis:**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Total Outstanding Dues of Micro and Small Enterprises</b>		
Outstanding for following periods from the due date of payment		
Unbilled	-	-
Not Due	84.61	84.43
Less than 1 year	-	1.97
1 -2 years	-	-
2 -3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>84.61</b>	<b>86.40</b>
<b>Total Outstanding Dues of Creditors other than Micro and Small Enterprises</b>		
Outstanding for following periods from the due date of payment		
Unbilled	-	-
Not Due	301.99	280.96
Less than 1 year	12.35	54.56
1 -2 years	0.03	0.01
2 -3 years	-	0.26
More than 3 years	-	-
<b>Total</b>	<b>314.37</b>	<b>335.79</b>

17(b).2 There are no disputed balances of MSME or other than MSME as on Mar'25 and Mar'24

17(c).3 Trade Payable are non-interest bearing and are normally settled on 60 days terms.

17(d).4 For Trade payable to related parties refer Note 34.



**ELIN APPLIANCES PRIVATE LIMITED**

Notes to Standalone Financial Statements for the year ended March 31, 2025

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

**18 Other Current Financial Liabilities**

Particulars	As at March 31, 2025	As at March 31, 2024
Employee Benefit payable	11.14	11.20
<b>Total</b>	<b>11.14</b>	<b>11.20</b>

**19 Current Tax Assets (net)**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current Tax Assets</b>		
Advance Income Tax and TDS (net of provisions)	0.04	0.81

**20 Other Current Liabilities**

Particulars	As at March 31, 2025	As at March 31, 2024
Advances from Customers*	2.60	0.04
Statutory Dues payable	21.15	7.91
<b>Total</b>	<b>23.75</b>	<b>7.95</b>

\*Goods to be supplied in the next financial year.

**21 Current Provisions**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Provisions for Employee Benefits</b>		
Provision for compensated absences (refer note 30)	3.33	3.35
<b>Provision - Others*</b>	<b>2.50</b>	<b>2.50</b>
<b>Total</b>	<b>5.83</b>	<b>5.85</b>

\*Included provision for sales related obligations

**Changes in provisions (Current and Non Current) are as below :**

Particulars	Provision for compensated absences	Provision - Others*
<b>As at April 1, 2023</b>	<b>3.49</b>	<b>2.50</b>
Addition during the year	0.28	-
Utilisation / reversal during the year	(0.42)	-
<b>As at March 31, 2024</b>	<b>3.35</b>	<b>2.50</b>
Addition during the year	0.40	-
Utilisation / reversal during the year	(0.42)	-
<b>As at March 31, 2025</b>	<b>3.33</b>	<b>2.50</b>

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**ELIN APPLIANCES PRIVATE LIMITED**

**Notes to Standalone Financial Statements for the year ended March 31, 2025**

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

**22 Revenue from operations**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of Products	2,762.85	2,389.82
Sale of Services	5.58	1.06
<b>Other Operating Revenues</b>		
- Scrap sale	3.38	2.88
- Export Incentives	(0.00)	0.01
<b>Total</b>	<b>2,771.81</b>	<b>2,393.77</b>

**22.1 Contract Balances**

Receivables, which are included in 'trade receivables'	811.03	696.40
Advances received from customers	2.60	0.04

**22.2 Disaggregated information by primary geographical market**

Set out below is the Disaggregation of the company's revenue from contracts with customers

Location		
India	2,771.50	2,393.42
Outside India	0.31	0.34
<b>Total revenue from contracts with customers*</b>	<b>2,771.81</b>	<b>2,393.76</b>

**22.3 Timing of revenue recognition**

Goods Transferred at a point of time	2,766.23	2,392.70
Service transferred over time	5.58	1.06
<b>Revenue from contracts with customers*</b>	<b>2,771.81</b>	<b>2,393.76</b>

\* Excluding export incentives

**22.4 Set out below is the amount of revenue recognised from**

Amounts included in contract liabilities at the beginning of the year	0.04	-
Performance obligations satisfied in previous years	-	-

**22.5 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Revenue as per contracted price	2,772.14	2,393.78
<b>Adjustments</b>		
Provision for sales related obligations	-	-
Sales return	(0.33)	(0.02)
<b>Revenue from contracts with customers*</b>	<b>2,771.81</b>	<b>2,393.76</b>

Revenue from sale of goods is recognised on transfer of control of goods to the buyer. Revenue is measured at the price charged to the customer and are recorded net of returns (if any), trade discounts, rebates, other pricing allowances to trade/consumer, when it is probable that the associated economic benefits will flow to the Group. Accumulated experience is used to estimate the accruals and provisions for discounts and rebates.

The performance obligation in contracts is considered as fulfilled in accordance with the terms agreed with the respective customers, which is mainly upon arrival at the customer.

Revenue from sale of goods is presented net of Goods and Services Tax (GST).



**ELIN APPLIANCES PRIVATE LIMITED**
**Notes to Standalone Financial Statements for the year ended March 31, 2025**
*(All amounts are in INR Millions, unless otherwise stated)*
**23 Other Income**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Other non-operating income</b>		
Interest Income from financial assets at amortised cost		
- On Fixed Deposits with Banks	0.04	0.04
Dividend Income	0.04	1.77
Interest on Bill Discount	4.84	-
Fair value gain on Financial Instruments at fair value through profit or loss	113.86	0.31
Gain on sale of current investments measured at FVTPL	74.58	-
Miscellaneous Income	4.37	4.46
Foreign exchange fluctuation Gain (Net)	0.73	0.10
<b>Total</b>	<b>198.46</b>	<b>6.68</b>

**24 Cost of Material Consumed**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year	183.62	129.75
Add : Purchases during the year	2,295.89	2,014.25
	<b>2,479.51</b>	<b>2,144.00</b>
Less: Inventory at the end of the year	157.12	183.62
<b>Total material consumed</b>	<b>2,322.39</b>	<b>1,960.38</b>

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Inventories at the beginning of the year</b>		
Finished Goods	23.80	51.75
Work in process	30.62	23.44
	<b>54.42</b>	<b>75.19</b>
<b>Less: Inventory at the end of the year</b>		
Finished Goods	11.39	23.80
Work in process	35.57	30.62
	<b>46.96</b>	<b>54.42</b>
<b>Net (Increase) / Decrease in Opening and Closing stock</b>	<b>7.46</b>	<b>20.77</b>

**26 Employee Benefits Expenses**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages, bonus and allowances	240.92	221.01
Contribution to Provident and other funds (Refer Note 30)	13.79	14.39
Gratuity and other defined benefit plans	3.51	3.87
Staff welfare expenses	2.88	5.10
<b>Total</b>	<b>261.10</b>	<b>244.37</b>



**ELIN APPLIANCES PRIVATE LIMITED**
**Notes to Standalone Financial Statements for the year ended March 31, 2025**
*(All amounts are in INR Millions, unless otherwise stated)*
**27 Finance Costs**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on financial liabilities measured at amortised cost :		
- on borrowings	5.28	1.24
- other Interest cost	7.96	2.13
Other borrowing cost	0.30	0.48
<b>Total</b>	<b>13.54</b>	<b>3.85</b>

**28 Other Expenses**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Manufacturing Expenses</b>		
Power and Fuel Charges	19.67	18.02
Carriage Inwards Expenses	3.44	3.17
Processing Charges	18.28	17.75
Consumption of stores and spares	5.97	4.50
Testing Calibration and Development Charges	2.06	2.22
Repairs and Maintenance	14.30	20.44
Advertisement & Sales promotion	0.03	0.08
Carriage & Octroi (Outward)	0.87	0.44
Rent	0.89	0.68
Rates and Taxes	0.21	0.74
Payments to Auditors		
- Statutory Audit Fees	0.75	0.78
- Other Services	0.05	0.01
- Out of Pocket expenses	0.05	-
Legal and Professional Fee	0.57	1.74
Communication Costs	0.65	0.77
Travelling and Conveyance Expenses	6.19	8.82
Vehicle Running & Maintenance	3.33	2.80
Insurance	3.13	2.85
Provision for bad and doubtful debts	0.11	0.12
Sitting Fees to non-executive directors (refer note 34)	0.04	0.06
Corporate Social Responsibility Expenses (refer note 36)	1.74	1.76
Net Loss / (Gain) on Sale of Property Plant and Equipment	-	0.08
Property, plant and equipment written off	-	0.16
Miscellaneous Expenditure	7.66	7.39
<b>Total</b>	<b>89.99</b>	<b>95.38</b>

**29 Earning per Share (EPS)**

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earnings are stated below :

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Basic &amp; Diluted Earnings per share :</b>		
Profit for the year	188.85	14.54
Profit attributable to ordinary shareholders (A)	188.85	14.54
Weighted average number of ordinary shares (B)	2,00,000	2,00,000
Face value per Share	Rs. 10/-	Rs. 10/-
Earnings per share - Basic & Diluted (A/B) - Rs.	944.27	72.70



30 The Company has recognised the following amounts in the Standalone Financial Statements as per Ind AS - 19 "Employees Benefits":

**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	For the year ended
	March 31, 2025	March 31, 2024
Employer's Contribution to Provident Fund and other (Refer Note 26)	11.63	12.10
Employer's Contribution to Employee State Insurance (Refer Note 26)	1.68	1.92
Employer's Contribution to National Pension Scheme (Refer Note 26)	0.48	0.37

**b) Defined Benefit Plan**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service get a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of 6 months. The company makes contributions to the Elin Appliances Pvt. Ltd. Employees Gratuity Trust. The Trustees of Elin Appliances Pvt. Ltd. Employees Gratuity Trust are responsible for the overall governance of the plan and in act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law. The company aims to keep annual contributions to the trust relatively stable at a level such that no significant gap arises between plan assets and liabilities.

The employees gratuity fund scheme is managed by Kotak Mahindra Life Insurance Company Ltd. and Bajaj Allianz 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.

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

**Actuarial assumptions**

Particulars	Gratuity (Funded)		Leave Encashment	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Discount rate (per annum)	6.75%	7.20%	6.75%	7.20%
Attrition Rate	4.00%	4.00%	4.00%	4.00%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%
Average remaining working lives of employees (Years)	20.52	21.51	-	-
Retirement age (years)	58.00	58.00	58.00	58.00
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14

**A reconciliation of opening and closing balance of present value of the obligations :**

Present value of obligation as at the beginning of the year	25.45	24.72	3.35	3.40
Interest Cost	1.83	1.83	0.24	0.23
Current Service Cost	2.57	2.48	3.31	2.93
Benefits paid	(2.48)	(2.28)	(0.42)	(0.42)
Actuarial (gain)/ loss on obligations	1.15	(1.30)	(3.15)	(2.90)
Present value of obligation as at the end of the year	28.52	25.45	3.35	3.35

**A reconciliation of opening and closing balance of the fair value of plan assets :**

Fair value of plan assets at beginning of the year	51.99	44.56	4.90	4.99
Actual return of plan assets	3.74	3.28	0.35	0.34
Employer contribution	2.40	2.60	0.42	0.42
Benefits paid	(2.48)	(2.28)	(0.42)	(0.42)
Actuarial gain/ (loss) on obligations	0.80	3.81	0.01	(0.03)
Fair value of plan assets at the end of year	56.46	51.99	5.26	4.90

**Other Comprehensive Income**

Actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-
Actuarial gains and losses arising from changes in financial assumptions	1.48	0.50	(0.41)	0.14
Remeasurement (Gain)/ Loss arising from Experience Adjustment	(0.33)	(1.80)	(2.74)	(3.05)
Changes in the effect of limiting a net defined benefit asset to the asset ceiling, excluding amounts included in interest	(0.80)	(3.82)	-	(0.03)
Actuarial (gain)/ loss recognised in OCI	0.35	(5.12)	(3.15)	(2.94)

**The amounts to be recognised in Standalone Statement of Assets and Liabilities :**

Present value of obligation as at the end of the year	28.52	25.45	3.35	3.35
Fair value of plan assets as at the end of the year	56.46	51.99	4.90	4.90
Net asset/ (liability) recognised in Standalone Balance Sheet	(27.94)	(26.55)	(1.55)	(1.55)

**Expenses recognised in Standalone Statement of profit and loss :**

Current service cost	2.57	2.48	2.93	2.93
Interest Cost	(1.91)	(1.46)	(0.08)	(0.08)
Expenses recognised in the Standalone Statement of profit and loss	0.66	1.02	2.85	2.85

**Sensitivity analysis of the defined benefit obligation:**

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below.

<b>Impact of the change in Discount Rate</b>				
Present Value of Obligation at the end of the period	28.52	25.45	3.35	3.35
Impact due to increase of 1%	(2.50)	(2.19)	(0.14)	(0.14)
Impact due to decrease of 1%	2.95	2.58	0.16	0.16
<b>Impact of the change in Withdrawal Rate</b>				
Present Value of Obligation at the end of the year	28.52	25.45	3.35	3.35
Impact due to increase of 1%	0.42	0.48	0.07	0.04
Impact due to decrease of 1%	(0.48)	(0.55)	(0.12)	(0.04)
<b>Impact of the change in salary increase</b>				
Present Value of Obligation at the end of the period	38.52	25.45	3.24	3.24
Impact due to increase of 1%	2.83	2.49	0.16	0.16
Impact due to decrease of 1%	(2.45)	(2.15)	(0.14)	(0.14)

The weighted average duration of the defined benefit obligation at the end of the reporting period is 8 years (31 March 2024: 8 years).



Particulars	Gratuity (Funded)		Leave Encashment	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<b>Maturity profile of defined benefit obligation:</b>				
Year 1	3.20	3.40	2.00	2.00
Year 2	2.00	1.51	0.09	0.09
Year 3	2.04	1.89	0.13	0.13
Year 4	1.64	1.98	0.11	0.11
Year 5	1.58	1.51	0.10	0.10
Year 6 to 10	10.04	8.92	0.50	0.50

Estimated amount of contribution to gratuity in the immediate next year is Rs.2.60 Million ( 31 March 2024 Rs. 2.52 Million)

**Investment Details**

Funds managed by Insurance Companies	56.36	51.64	4.90	4.90
Cash / Bank Balance	0.11	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.

**31 Information required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (the Act):**

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars	As at	As at
	March 31, 2025	March 31, 2024
1. Principal amount remaining unpaid to micro & small enterprises	84.61	86.40
2. Interest due on above	-	0.00
3. Interest paid during the period beyond the appointed day	-	-
4. Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act	-	-
5. Amount of interest accrued and remaining unpaid at the end of the period	-	0.00
6. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

**32 Commitments and Contingencies**

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

Particulars	As at	As at
	March 31, 2025	March 31, 2024
(i) Unexpired Letters of Credit	0.00	6.78
(ii) Guarantees given by banks on behalf of the Company	1.23	1.23
(iii) Claims against the Company towards income tax in dispute not acknowledged as debt		
Income tax matters	59.18	47.41
Employees related matters	1.26	0.00

**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 believes that they have sufficient and strong arguments on facts as well as on point of law and accordingly no provision has been considered in the financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

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

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

**(b) Capital Commitments**

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5.52	1.10

33. The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 3 May 2023. However the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

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

(i) Name and description of related parties

Relationship	Name of Related Party	
(a) Holding Company	Elin Electronics Limited	
(b) Key management personnel	Sh. Gaurav Sethia	(Director)
	Sh. Vinay Kumar Sethia	(Director)
	Sh. Kamal Singh Band	(Non Executive Independent Director) (Ceased w.e.f. 30th Mar 2025)
	Ms. Priyanka Jain	(Non Executive Independent Director) (w.e.f. 09th Feb 2025)
(c) Post Employment Benefit Plans	Elin Appliances Pvt. Ltd. Employees Gratuity Trust	

\* 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



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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Purchases/receiving of Goods &amp; services</b>		
Elin Electronics Limited	400.84	326.89
<b>Purchases/receiving of Property, Plant and Equipment</b>		
Elin Electronics Limited	16.12	14.16
<b>Sales/rendering of Goods and services</b>		
Elin Electronics Limited	2.59	0.91
<b>Sales/rendering of Property, Plant and Equipment</b>		
Elin Electronics Limited	-	3.44
<b>Income - Rent /Dividend /Other income</b>		
Elin Electronics Limited	3.84	3.84
<b>Closing Balances of Payables</b>		
Elin Electronics Limited	128.38	104.68
<b>Closing Balances of Receivable</b>		
Elin Electronics Limited	0.14	-
<b>Contribution towards Gratuity Liabilities</b>		
Elin Employees Group Gratuity Trust	2.40	2.60
<b>Sitting Fees to non-executive directors</b>		
Short term employee benefits		
Sh. Kamal Singh Baid	0.04	0.06
Payable of Sitting Fees to non-executive directors		
Sh. Kamal Singh Baid	0.01	-
<b>Remuneration of Key Management Personnel *</b>		
Sh. Gaurav Sethia	8.74	8.48
Sh. Vinay Sethia	8.74	8.48

\* Liability for post employment benefits, other long term benefits, termination benefits and certain short term benefits such as compensated absences and Gratuity is provided on an actuarial basis for the Company. Accordingly the amount for above pertaining to key management personnel is not ascertainable and, therefore, not included above.

Terms and conditions of transactions with related parties:

- The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2024: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

### 35 Segment Reporting

The Company is engaged in manufacturing of Electronics Manufacturing items. The Board of directors of Elin Appliances Private Limited takes decision in respect of allocation of resources and assesses the performance based on the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker. During the years under consideration, the Company operated only one segment (i.e., manufacturing of Electronics Manufacturing Services).

The said treatment is in accordance with the guiding principles enacted in Indian Accounting Standard 108 Operating Segments (IND AS 108). Accordingly the Company has disclosed segment information for its secondary segment which is the geographical segment as below:

#### Geographical Information

Accordingly the Company has disclosed segment information:

The geographical information analyses the Company's revenues by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Company's consolidated revenues and receivables by geographical market, regardless of where the goods were produced:

Information by Geographical	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>i. Revenue from external customers</b>		
India	2,771.50	2,393.42
Outside India	0.31	0.34
<b>Total revenue*</b>	<b>2,771.82</b>	<b>2,393.76</b>
<b>ii. Non-current operating assets**</b>		
India	417.82	394.46
Outside India	-	-
<b>Total</b>	<b>417.82</b>	<b>394.46</b>
<b>iii. Addition to property, plant and equipment and intangible assets</b>		
India	59.05	83.62
Outside India	-	-
<b>Total</b>	<b>59.05</b>	<b>83.62</b>

\*The revenue information above is based on the locations of the customers.

\*\*Non-current assets for this purpose consist of property, plant and equipment, capital advances and prepaid expenses.

#### Information about major customers (from external customers)

Revenues of approximately Rs. 2,543 Millions (92%) (FY 2023-2024: Rs. 2,151 Millions (90%)) are derived from 2 Nos. (FY 2023-2024: 2 Nos.) external customers which individually accounted for more than 10%.

### 36 Corporate social responsibility expenses:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Gross amount required to be spent by the Company during the year	1.32	1.70
b) Amount approved by the Board to be spent during the year	(1.32)	(1.70)
c) Amount spent during the year ending:		
<b>In cash</b>		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	1.74	1.76
<b>Yet to be paid in cash</b>		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-
<b>Unspent amount deposited in separate bank account</b>		
d) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust / other CSR activities undertaken by the Company	-	-
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	1.74	1.76
<b>Total unspent amount</b>	<b>-</b>	<b>-</b>



Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
The Company during the year executed following project under Corporate Social Responsibility:		
i) Protection of flora and fauna, animal welfare.		
ii) On promoting National & Rural Sports		
<b>Details of ongoing project and other than ongoing project</b>		
<b>In case of Section 135(6) (Ongoing project)</b>		
Opening Balance	-	-
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
Amount required to be spent during the year	-	-
Amount spent during the year	-	-
- From Company's bank A/c *	-	-
- From Separate CSR Unspent A/c	-	-
Closing Balance	-	-
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
<b>In case of Section 135(5) (Other than ongoing project)</b>		
Opening:		
Amount deposited in Specified Fund of Sch. VII within 6 months	-	-
Amount required to be spent during the year	1.32	1.70
Amount spent during the year	1.74	1.76
Closing Balance	-	-

\*The Company during the year has spent more than the required amount.

### 37 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.

#### 37.1 Financial Instruments by category

The carrying amount of the Company's financial instruments is as below:

Particulars	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
<b>Financial Assets</b>						
(i) Investments - Equity Instruments (Level 2) (Non Current)						
- Non Current	-	0.82	-	-	0.74	-
(ii) Investments - Equity Instruments (Level 1) (Non Current)	113.50	-	-	17.34	-	-
(iii) Investments - Mutual Funds (Level 1) (Current)						
- Current	5.26	-	-	4.90	-	-
(iv) Trade receivables	-	-	811.05	-	-	956.40
(v) Cash and cash equivalents	-	-	0.11	-	-	0.14
(vi) Bank balances other than (iii) above	-	-	-	-	-	0.31
(vii) Other Financial Assets						
- Non Current	-	-	0.37	-	-	0.69
- Current	-	-	0.80	-	-	0.68
<b>Total financial assets</b>	<b>118.76</b>	<b>0.82</b>	<b>812.51</b>	<b>22.24</b>	<b>0.74</b>	<b>698.22</b>
<b>Financial Liabilities</b>						
(i) Borrowings						
- Non Current	-	-	-	-	-	-
- Current (including current maturities of long term)	-	-	-	-	-	-
Borrowings	-	-	122.34	-	-	107.47
(ii) Supplier's credit	-	-	51.69	-	-	56.89
(iii) Trade payables	-	-	398.98	-	-	422.19
(iv) Other Financial Liabilities	-	-	11.14	-	-	11.20
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>584.05</b>	<b>-</b>	<b>-</b>	<b>597.75</b>

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis that are within the scope of Ind AS 113, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Company's management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value:



**Fair value hierarchy**

The disclosure of the financial instruments measured at fair value and valuation technique are as follows:

Particulars	Fair value hierarchy	As at March 31, 2025		As at March 31, 2024	
<b>Financial assets</b>					
Non current investments - unquoted	Level II		0.82		0.74
Non current investments - quoted	Level I		113.50		17.34
Current investments - quoted	Level I		5.26		4.90

**Valuation Process**

The finance department of the Company includes a team that performs the valuation of financial assets and liabilities required for financial reporting purposes. Changes in level 2 and 3 fair values are analysed at the end of each reporting period. There are no transfers between levels in the fair value hierarchy during the year.

In determining fair value measurement, the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets and liabilities in the financial statements has been considered. These risks in respect of climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

**Significant estimates:**

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

**37.2 Management of Financial Risk**

**A. Liquidity risk**

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

The Company has also entered into supply chain finance arrangement to smoothen the payment process of the suppliers. Although the payment terms are not significantly extended beyond the normal credit terms agreed upon with other suppliers, the arrangement helps in making the cashflows more predictable.

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	Carrying amount	Less than 12 months	More than 12 months	Total
<b>As at March 31, 2025</b>					
Borrowings	10	122.24	122.24	-	122.24
Supplier's credit		51.69	51.69	-	51.69
Trade payables	17(b)	398.98	398.98	-	398.98
Other financial liabilities	18	11.14	11.14	-	11.14
<b>As at March 31, 2024</b>					
Borrowings	10	107.47	107.47	-	107.47
Supplier's credit		56.89	56.89	-	56.89
Trade payables	17(b)	422.19	422.19	-	422.19
Other financial liabilities	18	11.20	11.20	-	11.20

**B. Market Risk**

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

**i) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate.

The following table provides a break-up of the Company's fixed and floating rate borrowings

**a. Interest rate risk exposure**

Particulars	As at March 31, 2025		As at March 31, 2024	
<b>Financial assets</b>				
Variable rate borrowings		122.24		107.47
Fixed rate borrowings		-		-

**b. Sensitivity Analysis**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

The details of the Company's sensitivity to a 1% increase and decrease in interest rate are as follows:

Particulars	(INR in Millions)	
	As at March 31, 2025	As at March 31, 2024
Impact on profit & loss for the year	1.22	1.07
Impact on total equity as at the end of reporting year	0.91	0.80

Impact on profit for the year are gross of tax and impact on total equity is net of tax

**ii) Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when certain purchases and trade payables are denominated in a foreign currency). The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and CNY. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities denominated in a currency that is not the Company's functional currency.

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



The foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at		
	March 31, 2025	March 31, 2024	
Trade payable	USD/INR	27.85	88.04
	Amount in FC	0.33	1.06
	CNY/INR	16.56	18.55
Trade receivable	USD/INR	-	0.03
	Amount in FC	-	0.00

**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, 2025	March 31, 2024	
INR strengthens by 5%	USD Impact	1.39	4.40
	CNY Impact	0.83	0.93
INR weakens by 5%	USD Impact	(1.39)	(4.40)
	CNY Impact	(0.83)	(0.93)

**iii) Commodity price risk**

Commodity price risk arises from fluctuations in the prices of Plastic, and aluminum. The Company has a risk management framework aimed at prudently managing the risks associated with the volatility in commodity prices. The Company has transferred any change in commodity prices to the customer. Therefore, there is no significant impact from changes in commodity prices in profit & loss.

**C. Credit Risk**

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

**Trade Receivables**

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

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed under this Note. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. An impairment analysis is performed at each reporting date for all customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 10.

**As at March 31, 2025**

Aging	0-180 days	181-365 days	More than 365 days	Total
Gross Carrying amount	811.84	-	-	811.84
Expected loss rate	0.10%	0.00%	0.00%	
Expected credit losses (loss allowance provision)	0.81	-	-	0.81
Carrying amount of trade receivables (net of impairment)	811.03	-	-	811.03

**As at March 31, 2024**

Aging	0-180 days	181-365 days	More than 365 days	Total
Gross Carrying amount	697.10	-	-	697.10
Expected loss rate	0.10%	0.00%	0.00%	
Expected credit losses (loss allowance provision)	0.70	-	-	0.70
Carrying amount of trade receivables (net of impairment)	696.40	-	-	696.40

**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.

**38 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 Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents.

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

Particulars	As at	
	March 31, 2025	March 31, 2024
Gross Debt	122.24	107.47
Less: Cash and Cash equivalents (Note 11)	0.11	0.14
<b>Net Debt (A)</b>	<b>122.13</b>	<b>107.33</b>
Total Equity (B)	960.39	769.36
<b>Net Debt to Equity Ratio (A/B)</b>	<b>0.13</b>	<b>0.14</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 31 March 2024.



39 Tax Reconciliation

The major components of income tax expense for the years ended 31 March 2025 and 31 March 2024 are:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Profit or loss section</b>		
Current tax		
Adjustment of tax relating to earlier period	18.60	2.10
Deferred Tax	0.81	(0.19)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>17.03</b>	<b>1.85</b>
<b>OCT section</b>		
Tax expense on items that will not be reclassified to profit or loss	0.71	2.02
	<b>0.71</b>	<b>2.02</b>
<b>Reconciliation between average effective tax rate and applicable tax rate</b>		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit as per Statement of profit and loss (before tax)	225.89	18.10
Income tax using the Company's domestic tax rate @ 25.168%	56.85	4.56
Adjustments in respect of current income tax of previous years	0.81	(0.19)
Non-deductible expenses for tax purposes:		
Impact of taxable of Capital gains at lower rate	(9.17)	-
Non deductible expenses / Other Adjustments	(11.45)	(0.81)
	<b>37.04</b>	<b>3.56</b>

40 Ratio Analysis and its elements

Ratio/Measure	Numerator	Denominator	March 31, 2025	March 31, 2024	Variation
a) Current ratio	Current Assets	Current Liabilities	1.76	1.62	8.92%
b) Debt equity ratio	Net Debt (including lease liabilities)	Shareholder's Equity	0.13	0.14	-8.84%
c) Debt service coverage ratio	Earnings for debt service	Total Debt	2.00	0.40	403.47%
d) Return on equity %	Net Profits after taxes	Average Shareholder's Equity	21.84%	1.92%	1040.05%
e) Inventory turnover ratio	Cost of goods sold	Average Inventory	10.58	8.93	18.48%
f) Trade receivables turnover ratio	Revenue from operations	Average Trade Receivable	3.68	3.73	-1.94%
g) Trade payables turnover ratio	Net credit purchases	Average Trade Payables	5.61	5.08	-1.24%
h) Net capital turnover ratio	Revenue from operations	Working capital	5.91	6.32	-6.41%
i) Net profit %	Net Profit	Revenue from operations	6.81%	0.61%	1021.64%
j) Return on capital employed %	Earnings before interest and taxes	Capital Employed	25.91%	2.77%	762.51%
k) Return on investment %	Interest (Finance Income)	Investment	264.55%	0.13%	2708.54%

Notes:-

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

"Net Profit after tax" means reported amount of "Profit/(loss) for the period" and it does not include items of other comprehensive income.

Working Capital implies Current Assets less Current Liabilities.

Capital employed refers to sum of tangible net-worth, total debts and deferred tax liability as at close of year.

Net credit purchases = Gross credit purchases - purchase return

Net Debt = Total borrowings including lease liabilities less cash and cash equivalent.

Explanation for variances exceeding 25%.

- c) Debt service coverage ratio has increased due to increase in earning during the current year.
- d) Return on equity % ratio is increased due to increase in turnover and increase in other income.
- i) Net profit % due to increase in Turnover, other income.
- j) Return on capital employed % increased due to increase in turnover and increase other income.
- k) Return on investment ratio is increased due to profit on sale of holding company shares and fair value gain.

41 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 shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (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 to or 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 financial institution or lender during the year.
- (viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (ix) Quarterly returns/statements of current assets filed by the company with banks are in agreement with the books of account.



**ELIN APPLIANCES PRIVATE LIMITED**

Notes to Standalone Financial Statements for the year ended March 31, 2025

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

- 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.
  
- 42. The company has used an accounting software SAP HANA Web Version - Public Cloud which is operated by a third-party software service provider, for maintaining its books of account. The company is not maintaining the back-up of books of account in servers physically located in India on a daily basis from April 1, 2024 to March 31, 2025 in compliance to the Rule 3 of the Companies (Accounts) Rules, 2014 as backups are performed by the SAP at planned intervals.
- 43. The company has used an accounting software SAP HANA Web Version - Public Cloud which is operated by a third-party software service provider, for maintaining its books of account. Audit trail feature is not covered in SOC 1 Type-2 report for the year 2024-25 to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of an accounting software where the audit trail has been enabled.

As per our report of even date attached

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

Firm's Registration No.: 30100327E300005

*[Signature]*  
Dinesh Mathur

Partner

Membership No.: 506846

Place - Gurugram

Date - May 26, 2025



For and on behalf of the Board of Directors

*[Signature]*  
Vinay Kumar Sethia

Vinay Kumar Sethia

Director

DIN: 00082184

*[Signature]*  
Gaurav Sethia

Gaurav Sethia

Director

DIN: 02902047

Place : New Delhi

Date : May 26, 2025

