

S.N. Dhawan & CO LLP

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of
AIL DIXON TECHNOLOGIES PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **AIL DIXON TECHNOLOGIES PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 ("the ICAI") 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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 Director's Report but does not include the financial statements and our auditor's report thereon, which we obtained on the date of this auditor's report.
- 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 the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

The Board of Director is 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, as amended.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended; in our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, Section 197 of the Act related to the managerial remuneration not applicable.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position – Refer Note 32 (d) 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 – Refer Note 32 (e) to the financial statements



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note 32 (c) to the financial statements.
- 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries – refer Note 39(h) to the financial statements.
- (b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 - Refer Note 39(g) to the financial statements.
- (c) Based on the 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 (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045


Vinesh Jain

Partner

Membership No.: 087701

UDIN: 22087701AJVWHH1931



Place: New Delhi

Date: 30 May, 2022

**Annexure B to the Independent Auditor's Report of even date on the financial statements of
AIL DIXON TECHNOLOGIES PRIVATE LIMITED**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of AIL DIXON TECHNOLOGIES PRIVATE LIMITED of even date)

Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

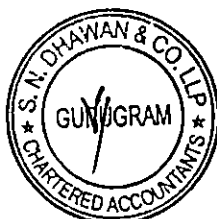
1. We have audited the internal financial controls with reference to the financial statements of **AIL DIXON TECHNOLOGIES PRIVATE LIMITED** ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the financial statements 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. 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 the company's business, including adherence to 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the 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, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 the financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the 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.
5. 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 system with reference to the financial statements.



Meaning of Internal Financial Controls with reference to the financial statements

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


Inherent Limitations of Internal Financial Controls with reference to the financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements operating effectively as at 31 March 2022, based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India.

For **S. N. Dhawan & Co LLP**
Chartered Accountants
(ICAI Registration No. 000050N/N500045)


Vinesh Jain
Partner
Membership No. 087701
UDIN: 22087701AJVWHH1931

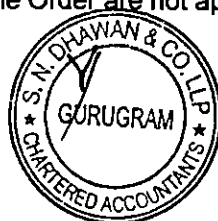


Place: New Delhi
Date: 30 May, 2022

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of AIL DIXON TECHNOLOGIES PRIVATE LIMITED on the standalone financial statements as of and for the year ended 31 March 2022

- (i) In respect of the Company's fixed assets Property, Plant and Equipment and other intangible assets
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company does not have any intangible assets. Accordingly, the provisions of clause 3(i)(a)(B) of the Order are not applicable.
 - (b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us, the Company does not have any immovable property other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable
 - (d) The Company has not revalued its [Property, Plant and Equipment (including Right of Use assets)] during the year, being under cost model. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.
 - (e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.
- (ii)
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year except for stock in transit. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of stock in transit, the management has performed alternate procedures, including verification of subsequent receipts.
 - (b) In our opinion and according to the information and explanations given to us, during the year, the Company has not been sanctioned any working capital limits from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clause 3(iii)(a) to (f) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.



- (v) In our opinion and according to the information and explanations given to us, the Company has neither accepted any deposits nor the amounts which are deemed to be deposit during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (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 sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in deposit of custom duty. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

We are informed that the operations of the company during the year, did not give rise to any liability for, excise duty, services tax, value added tax and sales tax.

- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.

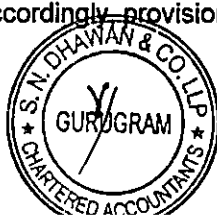
(viii) In our opinion and according to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix)

- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (b) In our opinion and according to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained, though idle/surplus funds which were not required for immediate utilisation were temporarily invested in liquid funds.
- (d) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) In our opinion and according to the information and explanations given to us, the Company does not have any subsidiary, associate, or joint venture. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.
- (f) In our opinion and according to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable.

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- (x)
- (a) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
 - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x)(b) of the order are not applicable.
- (xi)
- (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
 - (b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and upto the date of this report.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards. Since, the Company is a private limited Company, therefore, the provisions of Section 177 of the Act are not applicable to the Company
- (xiv)
- (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.
- (xvi)
- (a) The Company is not required to be registered under Section 45-IA of the RBI Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.
 - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the RBI as per the RBI Act, 1934. Accordingly, provisions of clause 3 (xvi) (b) of the order are not applicable.
 - (c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.
 - (d) The Group has no CIC which are part of the Group. Accordingly, the provisions of clause 3(xvi) (d) of the order are not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. Accordingly, provisions of clause 3 (xvii) of the order are not applicable.



(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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.

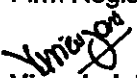
(xx)

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

(b) There is no unspent amount towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a special account in compliance with provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

(xxi) In our opinion and according to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(xxi) of the Order are not applicable.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045


Vinesh Jain
Partner
Membership No.: 087701
UDIN : 22087701AJVWHH1931



Place: New Delhi
Date: 30 May, 2022

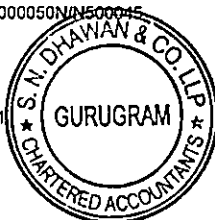
AIL DIXON TECHNOLOGIES PRIVATE LIMITED
CIN - U32309UP2017PTC090189
BALANCE SHEET AS AT 31 MARCH, 2022

	Note No.	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
Assets			
1 Non-current assets			
a. Property, plant and equipment	3.1	2,938.84	2,997.78
b. Right-of-use asset	3.2	1,148.18	1,192.73
c. Financial assets			
i. Other financial assets	4	63.98	63.90
d. Other non-current assets	6	-	74.73
		<u>4,151.00</u>	<u>4,329.14</u>
2 Current assets			
a. Inventories	5	20,363.53	13,069.71
b. Financial assets			
i. Trade receivables	7	31,940.72	16,542.52
ii. Cash and cash equivalents	8	2,591.14	1,169.47
iii. Other financial assets	4	123.41	78.29
c. Current tax assets (net)	9	-	26.81
d. Other current assets	6	1,316.33	1,108.50
		<u>56,335.13</u>	<u>31,995.30</u>
Total assets		<u>60,486.13</u>	<u>36,324.44</u>
Equity and liabilities			
1 Equity			
a. Equity share capital	10	1,900.00	1,900.00
b. Other equity	11	3,330.02	1,531.48
Total equity		<u>5,230.02</u>	<u>3,431.48</u>
2 Liabilities			
Non-current liabilities			
a. Financial Liabilities			
i. Borrowings	12 (a)	-	216.14
ii. Lease liabilities	13	1,287.07	1,285.27
b. Provisions	15	14.53	15.17
c. Deferred tax liabilities (Net)	14	350.98	77.04
		<u>1,652.58</u>	<u>1,593.62</u>
Current liabilities			
a. Financial liabilities			
i. Borrowings	12 (b)	-	573.04
ii. Trade payables	16		
- Total outstanding dues to micro and small enterprises		161.22	221.17
- Total outstanding dues to creditors other than micro and small enterprises		53,329.19	30,161.40
iii. Other current financial liabilities	17	3.88	165.52
b. Other current liabilities	18	17.45	177.52
c. Provisions	15	5.61	0.69
d. Current tax liabilities (net)	19	86.18	-
		<u>53,603.53</u>	<u>31,299.34</u>
Total liabilities		<u>55,256.11</u>	<u>32,892.96</u>
Total equity and liabilities		<u>60,486.13</u>	<u>36,324.44</u>

See accompanying notes forming part of the financial statements

In terms of our report attached
For S. N. Dhawan & Co LLP
Chartered Accountants
Firm's Registration No. 000050/N/500045

Vinay Jain
Partner
Membership No. 087701



For and on behalf of the Board of Directors
AIL Dixon Technologies Private Limited

Sunil Vachani
Director
DIN:00025430
Ananya Saluja
Company Secretary

Jeetendra Tripathi
Director
DIN:07731140

Place: New Delhi
Date: 30 May 2022

Place: Noida
Date: 30 May 2022

AIL DIXON TECHNOLOGIES PRIVATE LIMITED
CIN - U32309UP2017PTC090189
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2022

	Note No.	Year ended 31 March, 2022 Rs./lakh	Year ended 31 March, 2021 Rs./lakh
I Revenue from operations	20	79,865.07	46,287.30
Other Income	21	29.22	1.22
II Total Income		<u>79,894.29</u>	<u>46,288.52</u>
III Expenses			
Cost of materials consumed	22	75,097.76	43,024.19
Changes in inventory of work-in-progress and finished goods	23	(1,047.96)	(444.79)
Labour charges		1,374.31	933.23
Employee benefits expense	24	538.81	421.49
Finance costs	25	182.89	253.97
Depreciation and amortisation expense	26	339.30	327.93
Other expenses	27	863.54	650.61
Total expenses (III)		<u>77,348.65</u>	<u>45,166.63</u>
IV Profit before tax (II-III)		2,545.64	1,121.89
V Tax expense			
Current tax	28	747.60	187.27
Deferred tax charge/(credit)	14	9.76	204.10
-Minimum alternate tax credit entitlement		-	(77.25)
Taxes for earlier years		(7.69)	-
		<u>749.67</u>	<u>314.12</u>
VI Profit for the year (IV-V)		<u>1,795.97</u>	<u>807.77</u>
VII Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Remeasurement of the defined benefit liability		3.62	2.75
Income tax relating to above		(1.05)	(0.77)
Total other Comprehensive Income / (expense)		<u>2.57</u>	<u>1.98</u>
VIII Total comprehensive income for the year (VI+VII)		<u>1,798.54</u>	<u>809.76</u>
IX Earning per equity share	29		
Equity shares of face value Rs. 10 each			
Basic (Rs. Per share)		9.45	4.25
Diluted (Rs. Per share)		9.45	4.25

See accompanying notes forming part of the financial statements

In terms of our report attached
For S. N. Dhawan & Co LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinod Jain
Vinod Jain
Partner
Membership No. 087701



For and on behalf of the Board of Directors
A/L Dixon Technologies Private Limited

Sunil Vachani
Sunil Vachani
Director
DIN:00025431
Ananya Saluja
Ananya Saluja
Company Secretary

Jeetendra Trikha
Jeetendra Trikha
Director
DIN:07731140

Place: New Delhi
Date: 30 May 2022

Place: Noida
Date: 30 May 2022

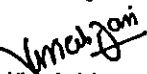
AIL DIXON TECHNOLOGIES PRIVATE LIMITED
CIN - U32309UP2017PTC090189
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2022

	Year ended 31 March, 2022 Rs./lakh	Year ended 31 March, 2021 Rs./lakh
A. Cash flow from operating activities		
Profit before tax	2,545.64	1,121.89
Adjustments for :		
Depreciation and amortisation expense	339.30	327.93
Interest expense	182.89	253.97
Interest income	(17.66)	(1.22)
	<u>3,050.17</u>	<u>1,702.57</u>
Changes in working capital		
Adjustments for (Increase) / decrease in operating assets:		
Inventories	(7,293.82)	(1,839.90)
Trade receivables	(15,398.20)	(1,335.63)
Other current assets	(207.83)	154.49
Other current financial assets	(45.12)	1,000.80
Other non-current financial assets	(0.08)	0.08
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	23,107.84	1,499.86
Other current financial liabilities	(156.18)	147.56
Other current liabilities	(160.07)	162.52
Provisions	7.90	9.46
Cash used in operating activities	<u>2,904.61</u>	<u>1,501.81</u>
Income taxes paid (net)	(363.79)	(172.04)
Net cash used in operating activities	<u>2,540.82</u>	<u>1,329.77</u>
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment, including capital advances	(164.70)	(194.40)
Interest received on deposits	17.66	1.22
Net cash generated used in investing activities	<u>(147.04)</u>	<u>(193.18)</u>
C. Cash flows from financing activities		
Interest paid (including interest on lease liabilities)	(49.97)	(127.15)
Proceeds from short term borrowings (net)	(573.04)	100.00
Repayment of lease liabilities	(132.96)	(132.96)
Repayment of term loan and vehicle loan	(216.14)	(74.86)
Net cash generated from/(used in) financing activities	<u>(972.11)</u>	<u>(234.97)</u>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	<u>1,421.67</u>	<u>901.62</u>
Cash and cash equivalents at the beginning of the year	<u>1,169.47</u>	<u>267.85</u>
Cash and cash equivalents at the end of year	<u>2,591.14</u>	<u>1,169.47</u>

- 1) The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 on statements of cash flow.
2) Figures in brackets indicate cash outflow.

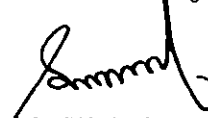
See accompanying notes forming part of the financial statements

In terms of our report attached
For S. N. Dhawan & Co. LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045


Vinesh Jain
Partner
Membership No. 087701



For and on behalf of the Board of Directors
AIL Dixon Technologies Private Limited


Sunil Vachani
Director
DIN:00025431


Jeetendra Trikha
Director
DIN:07731140


Ananya Saluja
Company Secretary

Place: New Delhi
Date: 30 May 2022

Place: Noida
Date: 30 May 2022

AIL DIXON TECHNOLOGIES PRIVATE LIMITED
CIN - U32309UP2017PTC090189
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

A. Equity share capital

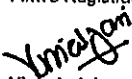
	No. of shares	Rs./lakh
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Equity Shares		
Balance as at 1st April, 2020	1,90,00,000	1,900.00
Issue of equity share capital	-	-
Balance as at 31 March, 2021	1,90,00,000	1,900.00
Issue of equity share capital	-	-
Balance as at 31 March, 2022	1,90,00,000	1,900.00

B. Other equity

	General Reserve	Retained earnings	Items of other comprehensive income	Total
	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh
Balance as at 1st April, 2020	-	719.93	1.80	721.73
Profit for the year	-	807.77	-	807.77
Other comprehensive income for the year, net of income tax	-	-	1.98	1.98
Balance as at 31 March, 2021	-	1,527.70	3.78	1,531.48
Profit for the year	-	1,795.97	-	1,795.97
Other comprehensive income for the year, net of income tax	-	-	2.57	2.57
Balance as at 31 March, 2022	-	3,323.67	6.35	3,330.02

See accompanying notes to the financial statements

In terms of our report attached
For S. N. Dhawan & Co. LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

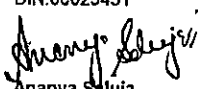

Vinesh Jain
Partner
Membership No. 087701




Place: New Delhi
Date: 30 May 2022

For and on behalf of the Board of Directors
AIL Dixon Technologies Private Limited


Sunil Vachani
Director
DIN:00025431


Ananya Saluja
Company Secretary

Place: Noida
Date: 30 May 2022


Jeetendra Tripathi
Director
DIN:07731140

AIL DIXON TECHNOLOGIES PRIVATE LIMITED
CIN - U32309UP2017PTC090189
NOTES TO FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

AIL Dixon Technologies Private Limited ('the Company') was incorporated on 8 February, 2017 in India and is a Joint Venture between Aditya Infotech Limited and Dixon Technologies (India) Limited. The Company is engaged in the manufacturing and sales of all kind of security systems and its peripherals including spares part and accessories.

The company is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at B-14 & 15, Phase-II, Noida, Gautam Buddha Nagar, Uttar Pradesh, India- 201305. The Company's CIN - U32309UP2017PTC090189.

2 BASIS OF ACCOUNTING

2.1 Statement of Compliance

Financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) Amendment Rules, 2016, other relevant provisions of the Act and other accounting principles generally accepted in India.

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

The Financial statements of the Company for the year ended 31 March, 2022 have been approved by the Board of Directors in their meeting held on 30 May, 2022

2.2 Basis of preparation of financial statements

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

- Financial instruments – measured at fair value;
- Assets held for sale – measured at fair value less cost of sale;
- Plan assets under defined benefit plans – measured at fair value
- In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.3 Current vs. Non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to 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.

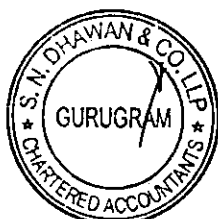
All the other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.



A handwritten signature in black ink, appearing to be 'S. N. DHAWAN'.

AIL DIXON TECHNOLOGIES PRIVATE LIMITED
CIN - U32309UP2017PTC090189
NOTES TO FINANCIAL STATEMENTS

2.4 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All Financial information presented in INR has been rounded off to the nearest lakh as per the requirements of Schedule III of "the Act", unless otherwise stated.

2.5 Use of Estimates and Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and fair value measurement of financial instruments, these are discussed below. Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits and provisions and contingent liabilities have been discussed in their respective policies.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been explained under note 2.16.

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2.23, 2.24.

2.6 Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition and is determined on first in first out ('FIFO') basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

2.7 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.



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AIL DIXON TECHNOLOGIES PRIVATE LIMITED
CIN - U32309UP2017PTC090189
NOTES TO FINANCIAL STATEMENTS

2.8 Property, Plant and Equipment

Recognition and Measurement:

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).

Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

Subsequent expenditure and componentisation

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation and Amortization

Depreciation is computed on Straight-Line Method ('SLM') based on useful lives, determined based on internal technical evaluation as follows:

Type of Assets	Useful lives estimated by the management (Years)
Factory building	30
Plant and machinery	15
Furniture and fixtures	10
Dies and moulds	15
Computer	3
Computer servers	6
Office equipment	5
Electrical installation	10
Vehicle	8

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.



AIL DIXON TECHNOLOGIES PRIVATE LIMITED
CIN - U32309UP2017PTC090189
NOTES TO FINANCIAL STATEMENTS

Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

2.9 Investment properties

- Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.
- Upon initial recognition, an investment Property is measured at cost. Subsequently they are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.
- Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.
- Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the Statement of Profit and Loss.
- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of "the Act".
- Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

2.10 Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

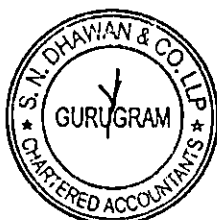
2.11 Non-current assets or disposal held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Such assets or disposal groups are classified only when both the conditions are satisfied:

- The sale is highly probable, and
- The asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Non current assets or disposal group are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Upon classification, non-current assets or disposal group held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets which are subject to depreciation are not depreciated or amortized once those classified as held for sale.



A handwritten signature in black ink, consisting of a stylized 'H' followed by a flourish.

2.12 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

2.13 Revenue Recognition

The Company is engaged in manufacturing of security systems and its peripherals spares part and accessories.

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

The specific recognition criteria described below must also be met before revenue is recognised:

Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Certain contracts provide a customer with a right to return the goods within a specified period. 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 Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Interest Income

For all debt instruments measured either at amortized cost or at Fair Value through Other Comprehensive Income (FVTOCI), interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the Financial instrument or a shorter period, where appropriate, to the gross carrying amount of the Financial asset.

Other Operating Revenue

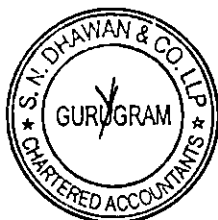
Export incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

2.14 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).



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2.15 Leases

As a lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Arrangements in the nature of lease

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the requirements of Ind AS 116 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.



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2.16 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in Other Comprehensive Income.

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to 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 by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for Financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in Other Comprehensive Income (OCI) or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

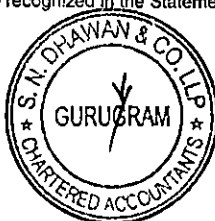
Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.17 Borrowing Cost

Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.

Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.



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2.18 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and 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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation.

Warranty Provision is measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Product warranty liability and warranty expenses are recorded at the time the product is sold, if the claims of the customers under warranty are probable and the amount can be reasonably estimated.

Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

2.19 Employee Benefits

Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

Other Long Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

Post Employment Benefits

The Company operates the following post employment schemes:

- Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in Other Comprehensive Income. Remeasurement recognized in Other Comprehensive Income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.



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Defined Contribution Plan

Defined contribution plans such as provident fund etc, are charged to the Statement of Profit and Loss as and when incurred.

Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit and Loss immediately.

2.20 Financial Instruments

A Financial instrument is any contract that gives rise to a Financial asset of one entity and a Financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

Financial assets

- Recognition and initial measurement:

A Financial asset is initially measured at fair value plus, in the case of Financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the Financial asset.

- Classification and subsequent measurement:

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

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

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.

- Measured at amortized cost:

A debt instrument is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

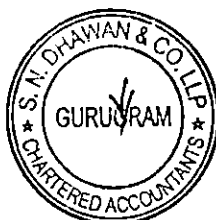
After initial measurement, such Financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI:

A debt instrument is measured at the FVTOCI if both the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling the Financial assets; and
- The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in Other Comprehensive Income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the Statement of Profit and Loss in investment income.



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- Measured at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

- Equity Instruments measured at FVTOCI:

Equity instrument in scope of Ind AS – 109 are measured at fair value. On initial recognition, an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in fair value in OCI. The election is made on an investment by investment basis.

All other Financial instruments are classified as measured at FVTPL.

Derecognition

The Company derecognizes a Financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the Financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- Impairment of Financial Assets

The Company assesses at each date of Balance Sheet whether a Financial asset or a group of Financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other Financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the Financial asset has increased significantly since initial recognition.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of directly attributable transaction costs.

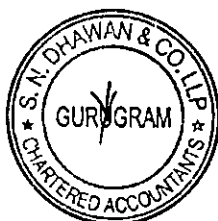
Financial liabilities:

- Recognition and Initial Measurement:

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All Financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- Subsequent Measurement:

Financial liabilities are measured subsequently at amortized cost or FVTPL. A Financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Statement of Profit and Loss. Other Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Statement of Profit and Loss.



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- Financial Guarantee Contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

- Derecognition

A Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

Derivative Financial Instruments:

The Company holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. The Company does not hold derivative Financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain, or loss is recognised in Statement of profit and loss immediately.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options and buyback of ordinary shares are recognized as a deduction from equity, net of any tax effects.

Offsetting financial instrument

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle financial asset and liability on a net basis or realise the asset and settle the liability simultaneously.

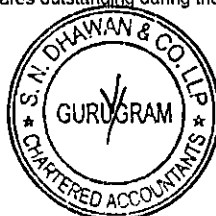
2.21 Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM'). The CODM comprises Board of directors, Managing Director cum Vice Chairman and Chief Financial Officer which assesses the financial performance and position of the Company and makes strategic decisions.

2.22 Earnings Per Share

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

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



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2.23 Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's Financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments of subsidiaries, associate and joint ventures and impairment losses/write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

2.24 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both Financial and non-Financial assets and liabilities.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

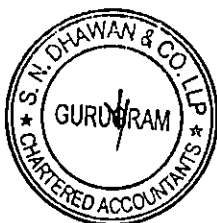
The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A 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.

All assets and liabilities for which fair value is measured or disclosed in the Financial statements are categorized within the fair value hierarchy, described as follows, based on the 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 within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.



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2.25 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before Intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

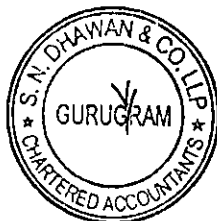
The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements



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2.26 Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the Financial statements is included in the following notes:

- a. Recognition of Deferred Tax Assets: The extent to which deferred tax assets can be recognized is based on an assessment of the
- b. Useful lives of depreciable/ amortizable assets (tangible and intangible): Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- c. Classification of Leases: The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- d. Defined Benefit Obligation (DBO): Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- e. Provisions and Contingencies: The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- f. Impairment of Financial Assets: The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- g. Allowances for Doubtful Debts: The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- h. Fair value measurement of Financial Instruments: When the fair values of Financial assets and Financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this 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.
- i. Warranty : Warranty Provision is measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Product warranty liability and warranty expenses are recorded at the time the product is sold, if the claims of the customers under warranty are probable and the amount can be reasonably estimated.



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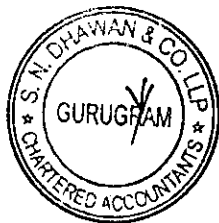
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3.1 Property, plant and equipment

	Factory building (see note below)	Plant and machinery	Furniture and fixtures	Dies and moulds	Electrical Installation	Computer and computer servers	Office equipment	Vehicle	Total
	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh
Cost or deemed cost									
Balance as at 1 April, 2020	306.34	2,902.51	49.40	96.43	63.69	120.45	21.14	11.23	3,571.19
Additions	30.07	17.09	1.58	57.49	-	16.76	0.30	-	123.29
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2021	336.41	2,919.60	50.98	153.92	63.69	137.21	21.44	11.23	3,694.48
Additions	0.82	192.99	1.99	23.00	-	8.86	2.36	5.79	235.81
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2022	337.23	3,112.59	52.97	176.92	63.69	146.07	23.80	17.02	3,930.29
Accumulated depreciation									
Balance as at 1 April, 2020	16.81	318.72	8.16	6.63	12.40	42.18	5.77	2.65	413.32
Depreciation expense	9.54	210.93	4.64	7.19	5.92	39.71	4.13	1.32	283.38
Elimination on disposals of assets	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2021	26.35	529.65	12.80	13.82	18.32	81.89	9.90	3.97	696.70
Depreciation expense	10.71	223.25	4.88	10.91	5.92	33.22	4.25	1.81	294.75
Elimination on disposals of assets	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2022	37.06	752.90	17.68	24.73	24.24	115.11	14.15	5.58	991.45
Net carrying amount									
Balance as at 31 March, 2021	310.06	2,389.95	38.18	140.10	45.37	55.32	11.54	7.26	2,997.78
Balance as at 31 March, 2022	300.17	2,359.69	35.29	152.19	39.45	30.96	9.65	11.44	2,938.84

Notes:

- During the current financial year and in the previous financial year there is no revaluation of Property, plants and equipment.
- The Company have obtained the 1,00,724 square feet (as at 31st March 2021 1,00,724 square feet) leasehold land from the Andhra Pradesh Industrial Infrastructure Corporation Limited on monthly lease payment term for a period of 30 years. wherein the lease deed is in the name of Company.

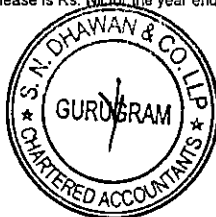


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3.2 Right-of-use assets

	Factory Building	Total
	Rs./lakh	Rs./lakh
i. Balance as at 1 April, 2020	1,237.28	1,237.28
Additions during the year	-	-
Depreciation during the year	44.55	44.55
Balance as at 31 March, 2021	<u>1,192.73</u>	<u>1,192.73</u>
Additions during the year	-	-
Depreciation during the year	44.55	44.55
Balance as at 31 March, 2022	<u>1,148.18</u>	<u>1,148.18</u>
ii. Movement in lease liabilities during the year:	31 March, 2022	31 March, 2021
	Rs./lakh	Rs./lakh
Balance at the Beginning of the year	1,285.27	1,283.47
Finance cost accrued during the year	134.76	134.76
Payment of lease liabilities	(132.96)	(132.96)
Balance at the end	<u>1,287.07</u>	<u>1,285.27</u>
Current	-	-
Non-Current	<u>1,287.07</u>	<u>1,285.27</u>
	<u>1,287.07</u>	<u>1,285.27</u>
iii. Maturity analysis of lease liabilities:		
The table below provides details regarding the contractual maturities of lease liabilities :		
Due within one year	-	-
Due later than one year and not later than five years	18.89	13.40
Due later than five years	<u>1,268.18</u>	<u>1,271.87</u>
	<u>1,287.07</u>	<u>1,285.27</u>
iv. The table below provides details regarding the cash outflow of lease liabilities are as follows:		
Due within one year	135.73	132.96
Due later than one year and not later than five years	557.30	553.42
Due later than five years	<u>3,263.70</u>	<u>3,403.30</u>
	<u>3,956.73</u>	<u>4,089.68</u>
v. Amounts recognised in profit or loss	Year ended	Year ended
	31 March, 2022	31 March, 2021
	Rs./lakh	Rs./lakh
Interest on lease liabilities	134.76	134.76
Depreciation on right of use assets	44.55	44.55
Expenses relating to short-term and low value leases	<u>35.01</u>	<u>3.83</u>
	<u>214.32</u>	<u>183.14</u>
vi. Amounts recognised in the statement of cash flows		
Repayment of lease liabilities	<u>132.96</u>	<u>132.96</u>
	<u>132.96</u>	<u>132.96</u>
vii. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease.		
viii. Rental expense recorded for short-term and low value leases is Rs. 35.01 lakhs for the year ended March 31, 2022(Rs. 3.83 lakhs for the year ended March 31, 2021), the same have been recorded under the head 'Other expenses' in the financial statements.		
ix. Rental income on assets given on sub-lease is Rs. Nil for the year ended 31 March, 2022. (Rs. Nil for the year ended 31 March, 2021)		



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	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
4 Other financial asset		
I. Non-current		
a. Security deposits	63.98	63.90
	<u>63.98</u>	<u>63.90</u>
II. Current		
a. Incentive from Andhra Pradesh Government (see note no 37)	78.29	78.29
b. Marked to Market (MTM) on forward and option contracts	45.12	-
	<u>123.41</u>	<u>78.29</u>
5 Inventories (lower of cost and net realisable value)		
a. Raw materials (see note below)	17,942.70	11,696.83
b. Work in Progress	1,344.45	899.07
c. Finished goods	1,076.38	473.81
	<u>20,363.53</u>	<u>13,069.71</u>
Notes:		
i. Raw materials includes raw material in transit Rs. 11,362.93 Lakh (As at 31 March, 2021 Rs. 5,807.60 lakh)		
ii. For method of valuation refer note 2.6		
6 Other Assets		
I. Non-current		
a. Capital advances	-	74.73
	<u>-</u>	<u>74.73</u>
II. Current		
a. Balances with government authorities (e.g. GST Input, Custom duty paid in advance)	1,043.21	985.23
b. Prepaid expenses	15.80	12.74
c. Advances to employees	3.43	-
d. Advances to suppliers	253.89	110.53
	<u>1,316.33</u>	<u>1,108.50</u>



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	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
7 Trade receivables		
a. Trade receivables from related parties (see note 36)	31,526.16	15,692.67
b. Trade receivables-others	414.56	849.85
Total trade receivables	31,940.72	16,542.52
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	31,940.72	16,542.52
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	4.90
	31,940.72	16,547.42
Impairment Allowance (allowance for bad and doubtful debts)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	(4.90)
	-	(4.90)
Total trade receivables	31,940.72	16,542.52

Ageing for trade receivables - billed – current outstanding as at March 31, 2022 is as follows:

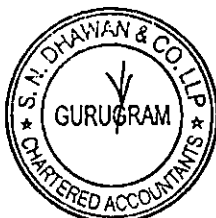
	Current but not due	Outstanding for the following periods from due date of payment					Total
	Rs./lakh	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Rs./lakh
Undisputed Trade Receivables – considered good	9,327.12	22,613.60	-	-	-	-	31,940.72
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	9,327.12	22,613.60	-	-	-	-	31,940.72

Ageing for trade receivables - billed – current outstanding as at March 31, 2021 is as follows:

	Current but not due	Outstanding for the following periods from due date of payment					Total
	Rs./lakh	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Rs./lakh
Undisputed Trade Receivables – considered good	10,274.58	6,261.01	6.93	-	-	-	16,542.52
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	4.90	-	-	4.90
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	10,274.58	6,261.01	6.93	4.90	-	-	15,547.42

Notes:

- i. The average credit period on sale of goods is 30 days to 45 days. No interest is charged on overdue trade receivables.



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ii. **Expected credit loss**

The Company closely monitors the credit quality of its trade receivables. Accordingly, there is no significant credit risk pertaining to the receivable for which the Company has to made provision for the expected credit loss.

iii. Concentration risk is heavy exposure to a particular customer, Company is in business of manufacturing and sales of all kind of security systems and its peripherals supply to Aditya Infotech Limited ('AIL') and Dixon Technologies (India) Limited, there may be significant business impact if customer switches to another vendor, however as both the parties are joint venture partner in the Company, in this case, the Company have relationship with customer. Further, in future years the Company may add new customers to utilize extra capacity available and to mitigate concentration risk.

8 Cash and cash equivalents

- a. Balances with banks
- on current accounts
- b. Cash on hand

As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
2,590.75	1,169.24
0.39	0.23
<u>2,591.14</u>	<u>1,169.47</u>

9 Current tax assets (net)

Income Tax refundable (net of provision)

-	26.81
<u>-</u>	<u>26.81</u>



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10 Equity share capital

	As at 31 March, 2022		As at 31 March, 2021	
	No. of shares	Rs./lakh	No. of shares	Rs./lakh
Authorised				
Equity shares of Rs. 10 each with voting right	2,70,00,000	2,700.00	2,70,00,000	2,700.00
	2,70,00,000	2,700.00	2,70,00,000	2,700.00
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each with voting right	1,90,00,000	1,900.00	1,90,00,000	1,900.00
Total	1,90,00,000	1,900.00	1,90,00,000	1,900.00

a. Movement in share capital

	Year ended 31 March, 2022		Year ended 31 March, 2021	
	No. of shares	Rs./lakh	No. of shares	Rs./lakh
Equity shares				
Balance as at the beginning of the year	1,90,00,000	1,900.00	1,90,00,000	1,900.00
Changes in Equity share capital due to prior period errors	-	-	-	-
Reinstated balance at the beginning of the current reporting period	-	-	-	-
Changes in equity share capital during the current year	-	-	-	-
Balance as at the end of the year	1,90,00,000	1,900	1,90,00,000	1,900

b. Terms and rights attached to equity shares

Equity share

The company has one class equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c. Shares held by Joint Venture Partners

	As at 31 March, 2022	As at 31 March, 2021
	No. of shares	No. of shares
Equity shares		
Aditya Infotech Limited	95,00,000	95,00,000
Dixon Technologies (India) Limited	95,00,000	95,00,000
	1,90,00,000	1,90,00,000

d. Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31 March, 2022		As at 31 March, 2021	
	No of shares	% holding	No of shares	% holding
Equity shares				
Aditya Infotech Limited	95,00,000	50%	95,00,000	50%
Dixon Technologies (India) Limited	95,00,000	50%	95,00,000	50%

e. Details of shares held by promoters at the end of the year

Name of promoters	As at 31 March, 2022		As at 31 March, 2021	
	No of shares	% holding	No of shares	% holding
Equity shares				
Aditya Infotech Limited	95,00,000	50%	95,00,000	50%
Dixon Technologies (India) Limited	95,00,000	50%	95,00,000	50%

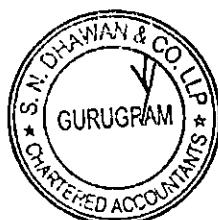
% Change during the year

Nil

Nil

f. There is no shares reserved for issue under option, contract or commitment for the sale of share as disinvestment.

g. There is no right, preference and restrictions attached to the equity shares.



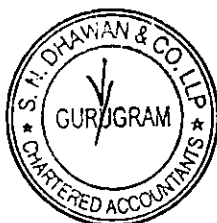
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AIL DIXON TECHNOLOGIES PRIVATE LIMITED
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NOTES TO FINANCIAL STATEMENTS

	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
11 Other equity		
a. Retained earnings	3,323.67	1,527.70
b. Other comprehensive income	6.35	3.78
	<u>3,330.02</u>	<u>1,531.48</u>
Other equity consist of the following		
ii. Retained earnings		
Balance at the beginning of year	1,527.70	719.93
Profit for the year	1,795.97	807.77
	<u>3,323.67</u>	<u>1,527.70</u>
iii. Other comprehensive Income		
Balance at the beginning of year	3.78	1.80
Movement during the year	2.57	1.98
	<u>6.35</u>	<u>3.78</u>

Note:

- a. **Retained earnings:**
Retained earnings are profits of the Company earned till date less transferred to other reserves and dividend paid during the year.
- b. **Other comprehensive income:**
Other comprehensive income comprises the balance of remeasurement of retirement benefit plans.



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AIL DIXON TECHNOLOGIES PRIVATE LIMITED
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	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
12 (a) Long-term borrowings		
A. Borrowings from bank - secured		
a. Term Loan		
i. Bajaj Finance Limited (see note 'a' & 'b' below)	-	288.18
b. Vehicle Loan		
i. Yes Bank Limited (see note 'c' below)	-	1.00
	-	289.18
Less : Amount disclosed under "Current maturities of long term borrowings (See note 12 (b))	-	73.04
	-	216.14

I Notes

a. Term loan from Bajaj Finance Limited

Company has obtained credit facility-Term Loan 500 lakhs (Sanctioned amount) secured by first and exclusive hypothecation charge on all existing and future current assets and movable fixed assets of the Company and is repayable in 20 quarterly instalments from June 2020 to March 2025 bearing a floating interest rate 9.40% per annum as of March 31, 2021).

- b. The company has repaid outstanding term loan from Bajaj Finance Limited out of surplus funds during the year.
- c. Vehicle loans are secured by way of hypothecation of the related assets. These are repayable in maximum sixty equal monthly instalments, repayment period from 2018 ending on 2021. During the current year the vehicle loan has been fully repaid.
- d. The Company has not defaulted in the repayment of dues to its lenders and the company does not have unsecured borrowings.
- e. Borrowings from financial institution have been used for the specific purpose for which it was taken at the balance sheet date.
- f. No charge or satisfaction of charge is pending for registration with ROC other than satisfaction given below:

Brief description of satisfaction	Location of ROC	Due date for registration	Reason for delay in registration
Bajaj Finance Limited Floating charge; Movable property (not being pledge); Letter of Comfort backed by BR	ROC-Kanpur	02-Apr-22	Delay in receipt of no dues certificate from the lender, the charge will be satisfied on receipt of documents from lendor.

	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
12(b) Short-term borrowings		
A. Borrowings from related parties - Unsecured		
i. Dixon Technologies India Limited (see note 'a' and 'b' below)	-	500.00
B. Current maturity of long-term borrowings		
i. Term loan-Bajaj Finance Limited (see note 'c' below)	-	73.04
	-	573.04

Note:

- a. Repayable on demand bearing a fixed rate of 9.4 % p.a payable at quarterly rest.
- b. During the current year the company has repaid the amount of borrowing
- c. For the repayment term and other details refer note 12(a).

13 Lease liabilities

i. Lease liabilities (see note 3.2)	1,287.07	1,285.27
	1,287.07	1,285.27



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14 Deferred tax (Net)

	As at 31 March, 2022 Rs/Lakh	As at 31 March, 2021 Rs/Lakh
Deferred tax liabilities	397.28	371.49
	<u>397.28</u>	<u>371.49</u>
Deferred tax assets	46.30	31.32
Minimum alternative tax credit	-	263.13
	<u>46.30</u>	<u>294.45</u>
Deferred tax assets/(liabilities) (net)	<u>(350.98)</u>	<u>(77.04)</u>

Movement in deferred tax assets and liabilities during the year ended 31 March, 2021 and 31 March 2022

	Opening Balance Rs/Lakh	Recognised In Profit or loss Rs/Lakh	Recognised in other comprehensive Income Rs/Lakh	Closing balance Rs/Lakh
2021-22				
Deferred tax (liabilities) / assets in relation to				
Liabilities				
Property, plant and equipment	(371.49)	(25.79)	-	(397.28)
Assets				
Employee benefit obligation	4.22	2.69	(1.05)	5.86
Provision on doubtful debts	1.36	(1.36)	-	-
Others	25.74	14.70	-	40.44
	<u>31.32</u>	<u>16.03</u>	<u>(1.05)</u>	<u>46.30</u>
	<u>(340.17)</u>	<u>(9.76)</u>	<u>(1.05)</u>	<u>(350.98)</u>
2020-21				
Deferred tax (liabilities) / assets in relation to				
Liabilities				
Property, plant and equipment	(370.13)	(1.36)	-	(371.49)
Assets				
Employee benefit obligation	2.55	2.44	(0.77)	4.22
Provision on doubtful debts	1.36	-	-	1.36
Carried forward losses, unabsorbed depreciation and benefit of income tax under section 32 (ii)(a)	201.72	(201.72)	-	-
Others	29.20	(3.46)	-	25.74
	<u>234.83</u>	<u>(202.74)</u>	<u>(0.77)</u>	<u>31.32</u>
	<u>(135.30)</u>	<u>(204.10)</u>	<u>(0.77)</u>	<u>(340.17)</u>



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	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
15 Provisions		
Non-current		
Provision for employee benefits		
a. Gratuity	12.86	13.59
b. Compensated absence	1.67	1.58
	<u>14.53</u>	<u>15.17</u>
Current		
Provision for employee benefits		
a. Gratuity	5.08	0.03
b. Compensated absence	0.53	0.66
	<u>5.61</u>	<u>0.69</u>

16 Trade payables

a. Trade payables (See notes below)		
-Total outstanding dues to micro and small enterprises (refer note 31)	161.22	221.17
-Total outstanding dues to creditors other than micro and small enterprises	53,329.19	30,161.40
	<u>53,490.41</u>	<u>30,382.57</u>
a. Trade-payables to related parties	157.20	695.14
b. Trade payables to others	53,333	29,687
	<u>53,490.41</u>	<u>30,382.57</u>

Notes:

- ii. The average credit period for purchase of certain goods and services are from 60 to 180 days. No interest is chargeable on trade payables.

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

	Outstanding for the following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh	
(i) Total outstanding dues of micro enterprises and small enterprises	107.01	54.21	-	-	-	161.22
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13,453.45	39,854.23	14.46	7.05	-	53,329.19
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<u>13,560.46</u>	<u>39,908.44</u>	<u>14.46</u>	<u>7.05</u>	<u>-</u>	<u>53,490.41</u>

Ageing for trade payables outstanding as at March 31, 2021 is as follows:

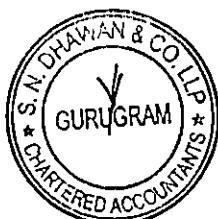
	Outstanding for the following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh	
(i) Total outstanding dues of micro enterprises and small enterprises	126.62	94.55	-	-	-	221.17
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	9,414.85	20,734.14	6.83	5.58	-	30,161.40
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<u>9,541.47</u>	<u>20,828.69</u>	<u>6.83</u>	<u>5.58</u>	<u>-</u>	<u>30,382.57</u>

17 Other current financial liabilities

	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
a. Payable for purchase of property, plant and equipment	-	3.62
b. Interest accrued but not due on borrowings	-	1.84
c. Interest accrued but not due on others	3.88	3.88
d. Marked to Market (MTM) on forward contracts	-	156.18
	<u>3.88</u>	<u>165.52</u>

18 Other current liabilities

	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
a. Payable towards statutory dues	17.45	21.37
b. Advance from Customers	-	156.15
	<u>17.45</u>	<u>177.52</u>

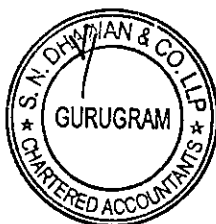


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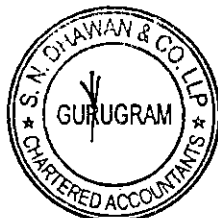
19 Current tax assets (net)

	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
Provision for tax (Net of advance tax)	86.18	-
	86.18	-



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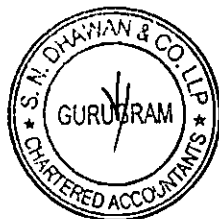
	Year ended 31 March, 2022 Rs./lakh	Year ended 31 March, 2021 Rs./lakh
20 Revenue from operations		
a. Sale of products	79,852.98	45,906.39
b. Sale of service		
-Job work Charges	4.64	380.69
c. Other operating revenue (see note i below)	7.45	0.22
	<u>79,865.07</u>	<u>46,287.30</u>
i Other Operating Revenues		
a. Sale of Scrap	7.45	0.22
	<u>7.45</u>	<u>0.22</u>
A. Revenue from contracts with customers disaggregated based on nature of product or service		
a. Revenue from sale of products		
Manufactured goods	79,852.98	45,906.39
	<u>79,852.98</u>	<u>45,906.39</u>
b. Revenue from sale of services		
Job work charges	4.64	380.69
	<u>4.64</u>	<u>380.69</u>
c. Other Operating Revenues		
Sale of Scrap	7.45	0.22
	<u>7.45</u>	<u>0.22</u>
Total revenue from operations	<u>79,865.07</u>	<u>46,287.30</u>
B. Disaggregated revenue information		
The table below presents disaggregated revenue from contract with customers for the year ended March 2022 and March 2021. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors		
Revenue from contracts with customers disaggregated based on geography		
a. Domestic	79,852.98	45,906.39
b. Exports	-	-
	<u>79,852.98</u>	<u>45,906.39</u>
C. Reconciliation of Gross Revenue from Contracts With Customers		
Total Revenue from Contract with Customers	79,747.09	44,734.61
Add: Cash Discount, Rebates, sales return, credit note etc	105.89	1,171.78
Net Revenue recognised from Contracts with Customers	<u>79,852.98</u>	<u>45,906.39</u>
21 Other Income		
a. Interest earned on security deposits	1.20	1.22
b. Interest on fixed deposits	17.66	-
c. Interest on income tax refund	4.16	-
d. Liabilities / provisions no longer required written back	6.20	-
	<u>29.22</u>	<u>1.22</u>
22 Cost of materials consumed		
Inventory at the beginning of the year	11,696.83	10,301.73
Add: Purchases (see note below)	81,343.63	44,419.29
Less: Inventory at the end of the year	17,942.70	11,696.83
Cost of raw material and components consumed	<u>75,097.76</u>	<u>43,024.19</u>
Note:		
Includes net foreign exchange loss amounting to Rs 860.04 lakhs		
23 Changes in inventory of work-in-progress and finished goods		
Opening - Work in progress and finished goods	1,372.87	928.08
Closing - Work in progress and finished goods	2,420.83	1,372.87
	<u>(1,047.96)</u>	<u>(444.79)</u>



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	Year ended 31 March, 2022 Rs./lakh	Year ended 31 March, 2021 Rs./lakh
24 Employee benefits expense		
a. Salary, wages and bonus	427.80	335.25
b. Gratuity expenses	6.99	7.23
c. Contribution to provident and other funds	29.94	26.51
d. Staff welfare expenses	74.28	52.50
	<u>538.81</u>	<u>421.49</u>
25 Finance costs		
a. Interest Expense on borrowings	24.47	79.45
b. Interest on late deposit of statutory dues (see note 'i.' below)	23.66	35.88
c. Interest on lease liabilities	134.76	134.76
d. Interest on others	-	3.88
	<u>182.89</u>	<u>253.97</u>
Note:		
i. Interest expense is on late deposit of following statutory dues :		
- Excise and Customs	23.66	35.88
	<u>23.66</u>	<u>35.88</u>
26 Depreciation and amortisation expense		
a. Depreciation of property, plant and equipment	294.75	283.38
b. Depreciation of right-of-use asset	44.55	44.55
	<u>339.30</u>	<u>327.93</u>
	Year ended 31 March, 2022 Rs./lakh	Year ended 31 March, 2021 Rs./lakh
27 Other expenses		
a. Consumption of stores and spare parts	3.32	8.18
b. Job Work Charges	22.77	120.55
c. Service Charges	196.95	60.00
d. Power and fuel	170.68	142.34
e. Rent	35.01	3.83
f. Repair and maintenance:		
- Plant and machinery	3.07	3.48
- Building	-	0.01
- Others	7.77	11.50
g. Insurance	25.90	10.20
h. Rates and taxes	0.30	6.22
i. Bad debts Write off	0.86	-
j. Communication	2.86	1.86
k. Travelling and conveyance	269.60	193.07
l. Vehicle Running and Maintenance	7.88	7.37
m. Bank Charges	2.49	1.02
n. Selling and distribution expenses	0.63	6.75
o. Watch and ward	47.88	26.06
p. Legal and professional	32.27	20.37
q. Payments to auditors (see note below)	7.54	6.93
r. Corporate social responsibility expenses (see note 35)	14.50	5.75
s. Miscellaneous expenses	11.26	15.02
	<u>863.54</u>	<u>650.61</u>
Note:		
i. Payments to auditors (net of GST credit)		
(i) Statutory audit fees	5.50	5.50
Other services	1.50	1.00
Out of Pocket expense	0.54	0.43
	<u>7.54</u>	<u>6.93</u>



/s/

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	Year ended 31 March, 2022 Rs./lakh	Year ended 31 March, 2021 Rs./lakh
28 Income taxes		
Current tax		
For current year	747.60	187.27
Deferred tax in respect of the current year	9.76	204.10
Minimum Alternate Tax (MAT) Credit entitlement	-	(77.25)
Current tax related to earlier years	(7.69)	-
Income tax expense recognised in the statement of profit and loss	749.67	314.12
Other comprehensive income		
Income tax relating to items that will not be reclassified to profit or loss	(1.05)	(0.77)
	748.62	313.35
Reconciliation of tax expense and the accounting profit multiplied by prevailing income tax rate		
Profit before tax	2,545.64	1,121.89
Income tax rate	29.12%	27.82%
Estimated tax expense	741.29	312.11
Adjustments recognised in current year in relation to the current tax of prior years	(7.69)	
Other adjustments	15.02	1.24
	748.62	313.35

29 Earning per share

a. Basic earnings per share	9.45	4.25
b. Diluted earnings per share	9.45	4.25

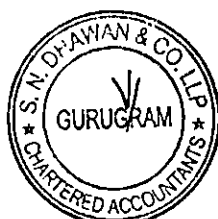
Earnings per share are as follows:

- i. The earnings and weighted number of equity shares used in the calculation of basic earnings per share are as follows:

Profit for the year	1,795.97	807.77
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Weighted average number of equity shares for the purposes of earnings per share

Equity shares	1,90,00,000	1,90,00,000
	1,90,00,000	1,90,00,000



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30 Segment Information

The Company's Board of Directors examines the Company's performance on the basis of sales of goods, the Company is engaged in the manufacturing of security systems and its peripherals spares part and accessories. These products do not have any different risk and returns and thus the management performed their review based on one business segment.

31 Amount outstanding of Micro, Small and Medium Enterprises Development Enterprises

Based on the responses received from certain suppliers, the Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

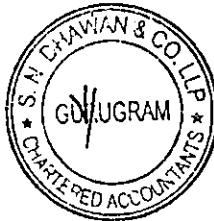
	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
i) The Principal amount and the interest due thereon remaining unpaid to any supplier at year end		
- Principal amount	161.22	221.17
- Interest thereon	-	-
ii) the amount of interest paid by the buyer in terms of section 16 of MSMED Act, along with the amounts of the payment	-	-
iii) the amount of interest due and payable for the year of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
iv) the amount of interest accrued and remaining unpaid	-	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	-	-

32 Commitments and contingencies

- a. The estimated amount of contracts remaining to be executed on capital amounts and not provided for (net of advances) amount to Rs. Nil (as at 31 March 2021 : Rs. 20.58 lakhs)
- b. The Company has no other commitments, for purchase of goods and services and employee benefits, in normal course of business.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. The Company did not have any pending litigation which would impact its financial position.
- e. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- f. Guarantee/ surety bond

Outstanding balance of surety bond given on behalf of other entities (refre note 36)
Bond given to custom department under AEO

As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
1,000.00	600.00
1,000.00	600.00



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33 Employee benefit plans

a. Defined contribution plans

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. Employer's contribution to provident fund and employee's state insurance scheme recognised as expense in the Statement of Profit and Loss for the year are as under:

	Year ended 31 March, 2022 Rs./lakh	Year ended 31 March, 2021 Rs./lakh
Contribution to provident fund	26.39	22.97
Contribution to employees state insurance scheme	3.49	3.45
Others	0.06	0.09
	<u>29.94</u>	<u>26.51</u>

b. Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan. Employee who have completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme of gratuity is unfunded.

In respect of the plan in India, the most recent valuation of the present value of defined benefit obligation were carried as at 31 March, 2022 in which the present value of the defined benefit obligation, and the related current service cost and past service cost were measured using the project unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at 31 March, 2022	31 March, 2021
Discount rate (%)	7.19%	6.80%
Expected rate(s) of salary increase	6.00%	6.00%
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Retirement Age (Years)	58	58
Withdrawal Rate (%) (Ages)		
Up to 30 Years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%

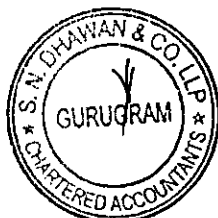
	Year ended 31 March, 2022 Rs./lakh	Year ended 31 March, 2021 Rs./lakh
Service cost:		
Current service cost	6.07	6.61
Past service cost including curtailment gains/losses	-	-
Components of defined benefit costs recognised in profit or loss	<u>6.07</u>	<u>6.61</u>
Net Interest Cost:		
Interest Cost on Defined Benefit Obligation	0.92	0.62
	<u>0.92</u>	<u>0.62</u>
Remeasurement on the net defined benefit liability		
Actuarial gain/(loss) from change in demographic assumptions	-	-
Actuarial gain/(loss) from change in financial assumptions	(1.03)	0.09
Actuarial gain/(loss) from change in experience adjustment	(1.63)	(2.84)
Components of defined benefit costs recognised in other comprehensive income	<u>(2.66)</u>	<u>(2.75)</u>
Total	<u>4.33</u>	<u>4.48</u>

Notes:

- The current service cost and the past service cost including curtailment gains/losses for the year are included in the 'Employee benefits expense' line item in the Statement of profit and loss.
- The remeasurement of the net defined liability is included in other comprehensive income.
- The Gratuity scheme of the Company is unfunded.

The amount included in the balance sheet arising from the Company's obligation in respect of defined benefit plans is as follows:

	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
Present value of defined benefit obligation		
Non-current	12.86	13.59
Current	5.08	0.03
	<u>17.94</u>	<u>13.62</u>



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Movement in the present value of the defined benefit obligation are as follows:

	Year ended 31 March, 2022 Rs./lakh	Year ended 31 March, 2021 Rs./lakh
Opening defined benefit obligation	13.62	9.15
Current service cost	6.07	6.61
Interest cost	0.92	0.62
Remeasurement (gains)/losses:		
Actuarial gain/(loss) from change in demographic assumptions	-	-
Actuarial gain/(loss) from change in financial assumptions	(1.03)	0.09
Actuarial gain/(loss) from change in experience adjustment	(1.63)	(2.84)
Benefits paid	-	-
Closing defined benefit obligation	17.95	13.62

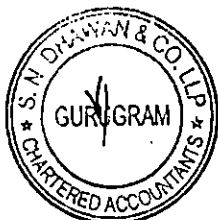
Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes if the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

A. Sensitivity analysis:

If the expected salary growth increases (decreases) by 0.50%, the defined benefit obligation would changes as:

	As at 31 March, 2022		As at 31 March, 2021	
	Increase by 0.50%	Decrease by 0.50%	Increase by 0.50%	Decrease by 0.50%
	Rs./lakh	Rs./lakh	Rs./lakh	Rs./lakh
Discount rate	(1.09)	1.24	(1.16)	1.30
Salary growth rate	1.24	(1.11)	1.31	(1.17)

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.



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34 Financial instruments

i. Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans.

Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
Borrowings		
- Non-current	-	216.14
- Current maturities of long term debt	-	73.04
- Current	-	500.00
Net Debt	-	789.18
Total Equity	5,230.02	3,431.48
Total Equity	-	0.23
Debt Equity Ratio		

ii. Categories of financial instruments

A. Financial assets

	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
Measured at amortised cost		
a. Trade receivables	31,940.72	16,542.52
b. Cash and cash equivalents	2,591.14	1,169.47
c. Financial assets		
- Other financial assets		
- non-current	63.98	63.90
- current	78.29	78.29

Measured at fair value through Profit and Loss (FVTPL)

a. Marked to Market (MTM)	45.12	-
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B. Financial liabilities

Measured at amortised cost		
a. Long term borrowings	-	216.14
b. Short term borrowings	-	573.04
c. Lease liabilities	1,287.07	1,285.27
d. Trade payables	53,490.41	30,382.56
e. Other financial liabilities	3.88	9.34

Measured at fair value through Profit and Loss (FVTPL)

a. Marked to Market (MTM)	-	156.18
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Note:

- There are no significant difference among the fair value of financial assets and liabilities classified as measured at cost or measured at fair value through profit and loss accordingly no separate disclosure of the same have been disclosed.
- The company has not classified any financial assets as hedge instruments and hence hedge accounting is not applicable.

iii. Fair value hierarchy

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

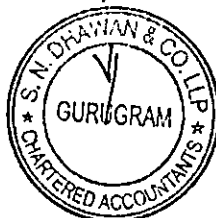
Particulars	Fair value hierarchy	As at 31 March, 2022	As at 31 March, 2021
Marked to Market (MTM)	Level 2	45.12	156.18

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- 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 inputs are unobservable inputs for the asset or liability.

There are no transfers between level 1, level 2 and level 3 during the year.

For financial assets and liabilities included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value.



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iv. Financial risk management objectives

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

- Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

v. Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency payable and loans and borrowings.

vi. Foreign currency risk management

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

Considering the economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates. The risks primarily relate to fluctuations in USD and JPY against the functional currency of the Company.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 5%.

a. Foreign currency risk exposure

Particulars	Currency	As at 31 March 2022			As at 31 March 2021		
		Total	Hedged	Unhedged	Total	Hedged	Unhedged
Financial Liabilities							
-Trade Payables							
	USD/lakh	672.95	513.16	159.79	355.80	266.51	89.29
	Rs./lakh	51,014.62	38,901.3	12,113.27	26,153.17	19,589.89	6,563.28

b. Sensitivity Analysis

Particulars	Sensitivity Analysis	Impact on PAT	
		As at 31 March, 2022 Rs./lakh	As at 31 March 2021 Rs./lakh
Increase:			
USD Sensitivity	1%	121.13	65.63
JPY Sensitivity	1%	-	-
		121.13	65.63
Decrease:			
USD Sensitivity	1%	(121.13)	(65.63)
JPY Sensitivity	1%	-	-
		(121.13)	(65.63)
Particulars	Sensitivity Analysis	Impact on equity	
		As at 31 March, 2022 Rs./lakh	As at 31 March 2021 Rs./lakh
Increase:			
USD Sensitivity	1%	121.13	65.63
JPY Sensitivity	1%	-	-
		121.13	65.63
Decrease:			
USD Sensitivity	1%	(121.13)	(65.63)
JPY Sensitivity	1%	-	-
		(121.13)	(65.63)



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vii. Interest rate risk management

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations.

(a) Interest rate risk exposure	As at	
	31 March, 2022	31 March, 2021
	Rs./lakh	Rs./lakh
Variable Rate borrowings	-	288.18
Fixed Rate Borrowings	-	501.00
	-	789.18

(b) Sensitivity analysis	Impact on PAT	
	As at	As at
Particulars	31 March, 2022	31 March, 2021
	Rs./lakh	Rs./lakh
Interest Rate – increase by 50 basis points	-	(1.44)
Interest Rate – decrease by 50 basis points	-	1.44

	Impact on equity	
	As at	As at
Particulars	31 March, 2022	31 March, 2021
	Rs./lakh	Rs./lakh
Interest Rate – increase by 50 basis points	-	(1.44)
Interest Rate – decrease by 50 basis points	-	1.44

Note: The above analysis for impact on profit and equity are without considering the impact of tax and only on variable interest rate borrowings.

viii. Other price risk

The Company does not have any financial instrument which will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), hence the Company is not significantly exposed to other price risk.

ix. Credit risk management

Credit risk refers to the risk of default on its obligation by the counterparty leading to financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed through monitoring the credit worthiness of customers in the normal course of business.

The following table gives details in respect of percentage of revenues generated from top customers and top five customers

Particulars	Revenue in %	
	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Revenue from top customer	100%	100%
Revenue from top five customer	100%	100%

Top customer holds 50% shares in the company. Therefore management do not expect any significant loss on trade receivable of the company.

x. Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per the requirements.

During the year the Company generated sufficient cash flow operations to meet its financial obligations as and when they fall due.

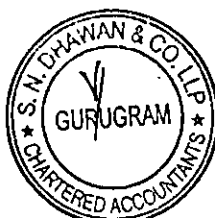
Changes in liability arising from financing activities

Particulars	Balance as on 1 April, 2021	Cash Flows		Balance as on 31 March, 2022
		Receipts	Payments	
Current Borrowings	500.00	-	500.00	-
Non-current Borrowings	289.18	-	289.18	-
	789.18	-	789.18	-

The table below provide details regarding the contractual maturities of significant financial liabilities as at:

Contractual maturities of financial liabilities

	less than 1 year	1 to 5 year	more than 5 year	Total
	Rs./lakhs	Rs./lakhs	Rs./lakhs	Rs./lakhs
As at 31 March 2022				
Trade payables	53,490.41	-	-	53,490.41
Borrowings	-	-	-	-
Other current financial liabilities	3.88	-	-	3.88
Lease liabilities	-	14.14	1,272.93	1,287.07
As at 31 March 2021				
Trade payables	30,382.57	-	-	30,382.57
Borrowings	573.04	216.14	-	789.18
Other current financial liabilities	165.52	-	-	165.52
Lease liabilities	-	13.40	1,271.87	1,285.27



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35 Corporate social responsibility expenditure

As per section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of average net profit for the immediately preceding three financial year on Corporate Social Responsibility ('CSR') activities. The area for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
	Rs./lakh	Rs./lakh
A. Gross amount required to be spent by the company	14.50	5.75
B. Amount spent by the company		
a. Yet to be paid in cash	-	-
b. In cash - Donation to		
i. Saint Hardayal Educational and Orphans Welfare Society	-	5.75
ii. SHEOWS (Guru Vishram Vridha Ashram)	14.50	-
C. There is no transactions with the related parties as defined under the Ino AS 24 Related Parties disclosures.		



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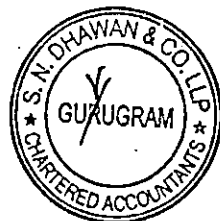
36 Related party disclosures

Identification of related parties has been made in accordance with the requirements of Ind AS 24 'Related Party Disclosures', the names of the related parties along with the aggregate amount of transactions and year end balances with them, are given below:

- a. **Entities exercise control over the entity ('Joint venture').**
Aditya Infotech Limited
Dixon Technologies (India) Limited
- b. **Entity under common control**
Dixon Global Private Limited
Aditya Infotech (HK) Limited
Dixon Electro Appliances Private Limited
Padget Electronics Private Limited
Dixon Electro Manufacturing Private Limited (see note 1)
Dixon Technologies Solutions Private Limited (see note 1)
Rexxam Dixon Technologies Private Limited (see note 2)
- c. **Key Managerial Personnel**
Mr. Sunil Vachani, Director (w.e.f 08, February, 2017)
Mr. Aditya Khemka, Director (w.e.f 08, February, 2017)
Mr. Pankaj Sharma, Director (w.e.f 08, February, 2017)
Mr. Jeetendra Tripathi, Director (w.e.f 08, February, 2017)
- d. **Related party transactions and balances**

A. Transactions during the year

	Joint venture		Entity under common control		Key managerial person		Total	
	2021-22 Rs./lakh	2020-21 Rs./lakh	2021-22 Rs./lakh	2020-21 Rs./lakh	2021-22 Rs./lakh	2020-21 Rs./lakh	2021-22 Rs./lakh	2020-21 Rs./lakh
Purchase of raw material								
Aditya Infotech Limited	70.21	1,308.07	1,292.56	3,236.09	-	-	1,362.77	4,544.16
Dixon Technologies (India) Limited	44.01	0.66	-	-	-	-	44.01	0.66
Aditya Infotech (HK) Limited	26.20	1,307.41	-	-	-	-	26.20	1,307.41
	-	-	1,292.56	3,236.09	-	-	1,292.56	3,236.09
Services Received								
Dixon Technologies (India) Limited	190.00	60.00	0.53	-	-	-	190.00	60.00
Aditya Infotech Limited	130.00	60.00	-	-	-	-	130.00	60.00
	60.00	-	-	-	-	-	60.00	-
Job Work Charges paid								
Dixon Technologies (India) Limited	22.24	113.76	0.53	-	-	-	22.77	113.76
Padget Electronics Private Limited	22.24	113.76	-	-	-	-	22.24	113.76
	-	-	0.53	-	-	-	0.53	-
Sales of goods								
Aditya Infotech Limited	77,642.42	43,988.49	28.77	558.82	-	-	77,671.19	44,547.31
Dixon Technologies (India) Limited	77,090.30	42,903.46	-	-	-	-	77,090.30	42,903.46
Padget Electronics Private Limited	552.12	1,085.03	-	-	-	-	552.12	1,085.03
	-	-	28.77	558.82	-	-	28.77	558.82
Job work charges received								
Aditya Infotech Limited	4.42	28.18	-	-	-	-	4.42	28.18
	4.42	28.18	-	-	-	-	4.42	28.18
Interest Expense								
Dixon Technologies (India) Limited	2.06	47.44	-	-	-	-	2.06	47.44
	2.06	47.44	-	-	-	-	2.06	47.44



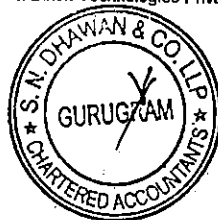
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Loan Received									
Aditya Infotech Limited		100.00							
Dixon Technologies (India) Limited									100.00
		100.00							
Loan Repaid									100.00
Aditya Infotech Limited	500.00							500.00	
Dixon Technologies (India) Limited									
	500.00							500.00	
Surety Bond Given to Custom Department on behalf of the other entity									
Dixon Technologies (India) Limited		600.00							600.00
		600.00							600.00
B. Outstanding balances at the year end									
Share capital									
Aditya Infotech Limited	1,900.00	1,900.00						1,900.00	1,900.00
Dixon Technologies (India) Limited	950.00	950.00						950.00	950.00
	950.00	950.00						950.00	950.00
Trade Receivables									
Aditya Infotech Limited	31,526.16	15,692.67						31,526.16	15,692.67
	31,526.16	15,692.67						31,526.16	15,692.67
Trade Payables									
Aditya Infotech Limited	157.20	695.14						157.20	695.14
Dixon Technologies (India) Limited									
	157.20	695.14						157.20	695.14
Loan Received/Repaid									
Dixon Technologies (India) Limited		500.00							500.00
		500.00							500.00
Surety Bond Given to Custom Department on behalf of the other entity									
Dixon Technologies (India) Limited		600.00							600.00
		600.00							600.00
Bond Given to Custom Department by other entity on behalf of the company									
Dixon Technologies (India) Limited	1,300.00	1,400.00						1,300.00	1,400.00
	1,300.00	1,400.00						1,300.00	1,400.00
Bond Given to Custom Department by other entity on behalf of the company									
Dixon Global Private Limited					250.00			100.00	250.00
Padget Electronics Private Limited					100.00				100.00
	100.00				150.00			100.00	150.00

Note:

- During the previous year, Dixon Electro Manufacturing Private Limited and Dixon Technologies Solutions Private Limited has been incorporated, as wholly owned subsidiary of the Joint venture- Dixon Technologies (India) Limited.
- During the previous year, Dixon Electro Manufacturing Private Limited and Rexxam Dixon Technologies Private Limited has been incorporated, as wholly owned subsidiary of the Joint venture- Dixon Technologies (India) Limited.



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37 Incentives from Andhra Pradesh Government

The Government of Andhra Pradesh vide Order No. GO(MS) No. 170 dated December 16, 2016 and GO(MS) No. 37 dated March 03, 2017 has announced certain fiscal incentives to the company for setting up industries in the notified Electronics Manufacturing Clusters (EMCs) of the State. Further, the activities of the Company fall under the scheme of Information Technology, Electronics & Communication (Promotions) department 2014-2020, based on the scheme and order passed the Company is eligible for 100% re-imbursement of the Stamp Duty, Transfer Duty and Registration Fee paid on sale/ lease deeds on the first transaction and 50% thereof on the second transaction, freight subsidy, transport subsidy interest subsidy etc.

Movement in the Incentive recoverable from Andhra Pradesh Government is given below:

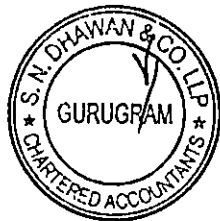
Particulars	As at 31 March, 2022 Rs./lakh	As at 31 March, 2021 Rs./lakh
Opening Balance	78.29	78.29
Add: Incentive recognise during the year	-	-
Less: Amount received during the year	-	-
Closing Balance	<u>78.29</u>	<u>78.29</u>

During the current year, the Company have not realised incentive from Government, considering the uncertainty over realisation of the incentive income during the current year the Company have not recognised Rs. Nil (Previous year March 31, 2021 Rs. 78.99 lakhs) incentive income on accrual basis.

38 The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on leases. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

39 Other statutory information

- a. During the current financial year, company has not undertaken any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- b. No penalties were imposed by the regulator during the year during the financial year ended 31 March, 2022.
- c. There are no such transaction which are not recorded in the books of account earlier and have been surrendered or disclosed as income during the current financial year in the tax assessments under the Income tax act, 1961
- d. During the current year company has not advanced or loaned or invested funds (either borrowed funds or share premium) to any other person(s) or entities, including foreign entities (Intermediaries)
- e. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
- f. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- g. The Company have not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- h. The Company have 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
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- i. The Company does not have any working capital limit, hence not required to submit quarterly stock statement with the banks/financial institutions.
- j. The Company is not classified by the lender during the period as wilful defaulter.
- k. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31, 2021.
- l. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2022 and March 31, 2021..



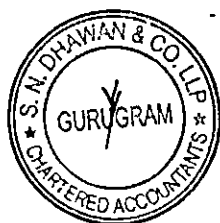
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40 Disclosure of financial ratios							
Particulars	Numerator	Denominator	As at 31 March, 2022	As at 31 March, 2021	Variance %	Reason for variance	
a. Current ratio	Current assets	Current liability	1.05	1.02	2.94%		
b. Debt equity ratio	Total debt	Total equity	0.246	0.605	-59.34%	Decreased due to repayment of debt	
c. Debt service coverage ratio	Net operating income	Total debt service	2.38	0.82	190.24%	Decreased due to repayment of debt	
d. Return on equity ratio	Net income	Total equity	0.34	0.24	41.67%	Due to increase in profitability (increase in operation of the company)	
e. Inventory turnover ratio	Cost of goods sold	Average inventory	4.43	3.50	26.57%	Due to increase in operations	
f. Trade receivables turnover ratio	Net sales	Average trade receivables	3.29	2.92	12.67%		
g. Trade payables turnover ratio	Net purchases	Average trade payables	1.94	1.50	29.33%	Due to increase in operations	
h. Net capital turnover ratio	Net sales	Working capital	29.24	66.51	-56.04%	Due to increase in working capital resulting from	
i. Net profit ratio	Net profit	Net sales	0.02	0.02	0.00%		
j. Return on capital employed	Earning before interest and tax	Capital employed	40%	27%	48.15%	Due to increase in profitability (increase in operation of the company)	
k. Return on investment	Earning on investments	Average investments	Not applicable	Not applicable	0.00%		

Working of the ratios

Basis of ratios	Year ended 31 March 2022 Rs. Lakhs	Ratio	Year ended 31 March 2021 Rs. Lakhs	Ratio
a. Current ratio				
Current assets	58,335.13	1.05	31,995.30	1.02
Current liability	53,603.53		31,299.34	
b. Debt Equity ratio				
Total debt (Long term debt+ Short term debt+ lease liability)	1,287.07	0.246	2,074.45	0.605
Total equity (Share capital+ Other equity)	5,230.02		3,431.48	
c. Debt service coverage ratio				
Net operating income (Profit after tax+ Depreciation+ Interest)	3,067.83	2.38	1,703.79	0.82
Total debt service (Long term debt+ Short term debt+ Capital lease obligation)	1,287.07		2,074.45	
d. Return on equity ratio				
Net operating income (PAT)	1,795.97	0.34	807.77	0.24
Total equity (Share capital+ Other equity)	5,230.02		3,431.48	
e. Inventory turnover ratio				
Cost of goods sold (Total sales - Gross profit)	74,049.80	4.43	42,579.39	3.50
Average Inventory = (Opening stock + Closing stock) / 2	16,716.62		12,149.76	
f. Trade receivables turnover ratio				
Net sales (Total sales - Sales return)	79,665.07	3.29	46,287.30	2.92
Average trade receivables = (Opening debtors + Closing debtors) / 2	24,241.62		15,874.71	
g. Trade payables turnover ratio				
Total purchases (Net of purchase return)	81,343.63	1.94	44,419.29	1.50
Average trade payables = (Opening creditors + Closing creditors) / 2	41,936.49		29,632.04	
h. Net capital turnover ratio				
Net sales (Total sales - Sales return)	79,885.07	29.24	46,287.30	66.51
Working capital = Current assets - Current liabilities	2,731.60		695.96	
i. Net profit ratio				
Net profit	1,795.97	0.02	807.77	0.02
Net sales (Total sales - Sales return)	79,665.07		46,287.30	
j. Return on capital employed				
Earnings before interest and tax	2,728.53	40.00%	1,375.88	27.00%
Capital employed = Total assets - Current liabilities	6,882.60		5,025.10	
k. Return on Investment		Not applicable		Not applicable
Income on investments	-		-	
Average investments	-		-	



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NOTES TO FINANCIAL STATEMENTS

41 Figures for the previous year have been regrouped / rearranged wherever necessary.

42 Events after the reporting period

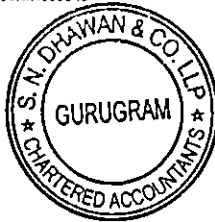
There are no event observed after the reported period which have an impact on the Company's operation.

43 Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 30 May, 2022

In terms of our report attached
For S. N. Dhawan & Co LLP
Chartered Accountants
Firm's Registration No. 000050/N/500045

Vinesh Jain
Partner
Membership No. 087701



Place: New Delhi
Date: 30 May 2022

For and on behalf of the Board of Directors
AIL Dixon Technologies Private Limited

Sunil Vachani
Director
DIN:00025431

Ananya Satuja
Company Secretary

Place: Noida
Date: 30 May 2022

Jeetendra Tripathi
Director
DIN:07731140