



ACCELERATING MULTI-DIMENSIONAL GROWTH

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Notice

Investor

Information

Market Capitalization as of 31st March, 2025:
₹ 5,902 Million

CIN:
L29304DL1982PLC428372

BSE Code:
543725

NSE Symbol:
ELIN

AGM Date:
Saturday August 30, 2025

Deemed AGM Venue:
Registered Office - 4771, Bharat
Ram Road, 23, Daryaganj,
Delhi - 110 002



Or, scan the
QR Code

For more investor-related information, please visit

[https://www.elinindia.com/
investors/#Annual_Reports](https://www.elinindia.com/investors/#Annual_Reports)

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

ACCELERATING MULTI-DIMENSIONAL GROWTH

Amidst an evolving business landscape, businesses that continuously rediscover their potential, stay in step with new-age dynamics, and remain agile in the face of structural shifts are best positioned to thrive. At Elin Electronics, we internalized this imperative and marked a pivotal turning point in our journey in 2024-25 – building on our leadership in the electronics manufacturing services domain. What followed was a definitive transition from a legacy-led business to a professionally managed enterprise, redefining the way we perceive and conduct business.

This operational and cultural evolution ushered new beginnings – inculcating a stricter operational discipline, bringing an evolved product portfolio, sharpening our focus on export-led growth, and enhancing customer centricity. This strategic pivot brought with it streamlined workflows, improved governance architecture, and a deeper commitment to excellence across every layer of the enterprise. By adopting a more structured approach, we set the stage for scalable and sustainable value creation.

We continued to evolve our business segments in line with market dynamics and our long-term objective of strengthening profitability. We expanded product lines with high-realization, medium-sized offerings – designed to meet the modern needs of industries and households, while simultaneously bolstering our existing range of small appliances. To support this upward momentum, we are preparing to commission our state-of-the-art Bhiwadi facility – expanding our manufacturing capabilities to address the growing demand for high-volume appliance solutions under one roof.

With innovation embedded in both product and process, we are scaling verticals, unlocking adjacent opportunities, and building resilience. This strategic transformation now anchors our direction, defining the course with pointed, conscious, and forward-leaning actions. Synergizing these enablers, we are creating enduring value for our stakeholders, while accelerating multi-dimensional growth to forge a trajectory of unyielding, future-proof progress.



Strengthening Leadership with Manufacturing Edge

At Elin Electronics Limited ('Elin Electronics', 'Our Company' or 'We'), we are a trusted name in the electronics manufacturing services (EMS) space, offering end-to-end solutions to marquee global and domestic brands. Established in 1969 by the Sethia family and headquartered in Delhi-NCR, we serve as the flagship of the Elin Group. Our capabilities span EMS, electric motor manufacturing, precision tooling, and mold design. We support a diverse portfolio, including kitchen appliances, personal care devices, lighting solutions, and automotive components. Driven by innovation and ingenuity, we continue to strengthen our position as a partner of choice in the dynamic electronics landscape.

As one of India's largest producers of fractional horsepower motors, we stand out for our innovation-led, quality-focused approach. Through cutting-edge technology, we consistently set industry standards and bolster our reputation for reliability and excellence. With decades of expertise and a forward-thinking mindset, Elin Electronics continues to empower brands and shape the future of manufacturing in India and beyond.



Vision

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

Customer-focused

Innovation

Excellence and Efficiency

Team Work

Continuous Improvement

Ethical & Honest

Responsible and Sustainable

Motivation & Recognition



Mission

To provide the highest quality of Customer Excellence service through Innovation, Excellence, Team Work, and Continuous Improvement

To have an Ethical and Sustainable impact on our Environment, Customers, Shareholders, Business Associates, and the community

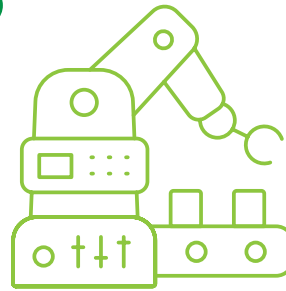


Credentials



50+

Years of Industry
Experience

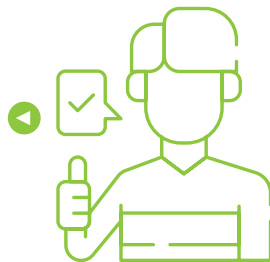


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Manufacturing
Units

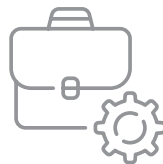
381

Customers



5,438

Employees



Downstream Client Portfolio



Automotive



Motors



Lighting



Tooling



Electronics



Medical Diagnostic
Cartridges



Molded and Sheet Metal
Parts and Components



Personal Care
Appliances



Business Model

We employ two distinct business models to meet the diverse needs of our customers: Original Equipment Manufacturer (OEM) and Original Design Manufacturer (ODM).



1

OEM Model

In this approach, we manufacture and supply products based on the designs provided by our customers. These products are then marketed and distributed under the customers' brand names.

2

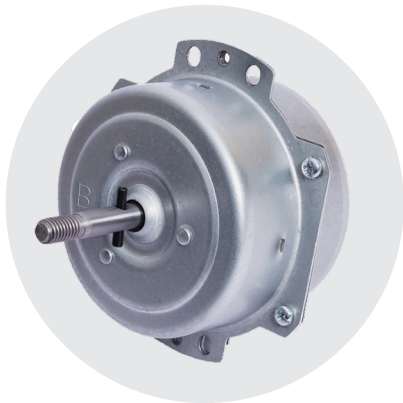
ODM Model

In this approach, we take the lead in conceptualizing and designing products, which are subsequently marketed by our customers under their brands. Our robust ODM capabilities, especially in small appliances and lighting products, serve as a key differentiator and drive our innovation-driven business growth.



Design Capabilities

We take pride in our expertise as an Original Design Manufacturer (ODM), specializing in the design and development of domestic kitchen appliances, motors, tools and a vast spectrum of other innovative products. We stay committed to deliver cost-efficient design solutions and an extensive portfolio of high-quality finished products. The exceptional skillset of our talented team, state-of-the-art software tools, and leading-edge infrastructure fortify our position as a trusted leader in the industry.

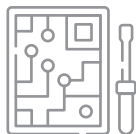




Esteemed Certifications

We hold a range of prestigious certifications, exemplifying our constant focus on quality, safety, and innovation. These globally recognised credentials demonstrate our adherence to stringent industry standards and our dedication to deliver excellence in every aspect of our operations.

- ▶ ISO 9001:2015 & ISO 14001:2015
- ▶ IS 302: Part 2: Sec 3:2007 (Electric Irons)
- ▶ IS 302: Part 2: Sec14:2009 (Bar-Blenders)
- ▶ IS 366:1991 (Performance of Electric Irons)
- ▶ ISO 45001-2018
- ▶ IS 3854:1997 - Switches
- ▶ IS 1293:2005 - Socket and Plug
- ▶ IS 11037:1984 - Fan Regulator
- ▶ IS-16102
- ▶ IS-15885
- ▶ IS-10322
- ▶ IEC-60335
- ▶ IS-4250 Mixer-Grinders
- ▶ Manufacturer's License/ Quality Certificate (Toasters, Hair Dryers, Hair Straighteners)
- ▶ OHSAS-45001 Guidelines
- ▶ Social Accountability at Work Place as per SA-8000/2014
- ▶ Sustainability as per RBA Code of Conduct (Green Supplier)
- ▶ Corporate Social Responsibility ISO-26000



Subsidiary

Elin Appliances Private Limited (EAPL), a fully owned arm of Elin Electronics, stands as a symbol of our pursuit of quality and innovation.

Since its establishment on 21st August 2002, EAPL has been guided by a philosophy rooted in building lasting partnerships and trust with customers. The Company specializes in a wide portfolio of electronic, electrical, and engineering products, catering to the everyday needs of households. Its offerings include a variety of home appliances like toasters, juicers, irons, and ovens, each designed with a focus on performance and reliability.

At the heart of every EAPL product lies a commitment to delivering consistent quality and service, strengthening our promise of enduring value and customer satisfaction.



Creating Excellence with Core Competencies

We build our competitive strength on sound manufacturing proficiency, integrated capabilities, and long-standing customer trust. As a prominent EMS and FHP motor producer, we maintain a firm focus on innovation, operational efficiency, and product excellence. Our extensive portfolio, backed by strategically located facilities, gives us the edge to meet the shifting requirements of leading domestic and global brands – ensuring consistency, agility, and sustained growth.

We are the frontrunner in EMS industry and hold a commanding market position in FHP motors. Our robust R&D capabilities empower us to design, manufacture, and supply premium-quality FHP motors for a wide range of industries. Through sound backward integration practices, we effectively meet the growing global and domestic demand for motor-driven appliances.

Established Market Leadership



Diversified Product Portfolio

We build our resilient business model on the strengths of a diversified product portfolio and vast customer base. Our offerings, including FHP motors and small appliances, cater to globally recognized brands such as Philips, Bosch, and Panasonic. This diversity mitigates risks and enables us to deliver tailored designs through advanced ODM capabilities, addressing precise customer requirements with agility.



Strong Customer Relationships

We continue to cultivate enduring relationships with prominent domestic and international customers, including marquee clients like Philips, Signify, Panasonic, Havells, Crompton, and Eveready. Our one-stop-shop manufacturing solutions, end-to-end operational excellence, and timely deliveries drive our unmatched customer retention track record. Remarkably, 10 of our top 15 clients have trusted us for over a decade – a reaffirmation of our commitment to excellence and long-term alliances.

We harness our significant backward integration capabilities to drive operational efficiency, augment product quality, and strengthen customer retention. Our integrated manufacturing operations encompass critical components, including PCBs, produced using surface mount technology (SMT) across 10 fully automatic lines, with a capacity of 3,93,200 components per hour. In addition, we manufacture sheet metal, plastic molding parts, and stainless-steel blades for mixer grinders, further bolstering our control over quality and cost. This strategic approach consolidates our position as a preferred partner and enhances our technological expertise across all manufacturing verticals.

High Degree of Backward Integration



Consistent Financial Performance

We consistently deliver sound financial performance by strategically aligning with high-demand product segments and cultivating a marquee customer base. A prudent mix of internal accruals and debt supports our expansion initiatives, while maintaining a strong balance sheet. Revenue from ODM operations serves as a key growth enabler, allowing us to seize opportunities in the OEM and ODM sectors in India, while fortifying our financial resilience.

Augmenting Value through Product Versatility

Electronics Manufacturing Services (EMS) Segment

Our Electronics Manufacturing Services (EMS) segment offers end-to-end solutions, including design, manufacturing and assembly for leading consumer brands. With strong backward integration and cutting-edge production capabilities, we ensure high-quality, cost-efficient, and scalable solutions across diverse product categories.

76.42% 2023-24 76.43% 2024-25

Revenue Contribution

LED Lighting, Fans, and Switches

Products Manufactured

- ▶ LED fittings fixture and solar device
- ▶ LED flashlights (torch)
- ▶ Fans (all types)
- ▶ Light fitting/switch



Small Appliances

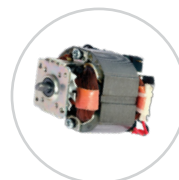
Products Manufactured

- ▶ Electric Kettle
- ▶ Oil Field Radiator
- ▶ OTG
- ▶ Mixer Grinder
- ▶ Bar Blender
- ▶ Hair Dryer
- ▶ Hair Straightener
- ▶ Iron
- ▶ Toasters
- ▶ Trimmer



Application Areas of Fractional Horsepower Motors

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



We bring together product diversity and design intelligence to deliver solutions across consumer durables, lighting, small appliances, and FHP motors. Operating through both OEM and ODM models, we fuse innovation with execution agility to meet precise brand standards. Our strong backward integration, coupled with scalable, quality-led manufacturing, positions us as a growth-enabling partner in the fast-evolving electronics ecosystem. With every new product, we augment our relevance, solidifying our position at the core of everyday consumer experience.

Non-EMS Segment

Our Non-EMS segment plays a crucial role in amplifying our value proposition through in-house manufacturing of essential components. We produce fractional horsepower (FHP) motors, medical diagnostic cartridges, and precision-engineered molded and sheet metal parts, serving medical diagnostics, auto ancillary, and consumer durables sectors, among others. This strategic vertical integration guarantees superior quality, improves cost efficiency, and strengthens supply chain control, enabling seamless integration with our broader product offerings.

23.58% 23.57%

2023-24

2024-25

Revenue Contribution

Medical Diagnostic Cartridges

Products Manufactured

- ▶ Medical Diagnostic Cartridges

Application Areas

- ▶ Diagnostic Devices



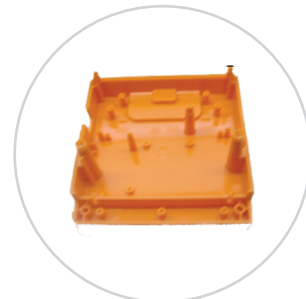
Molded and Sheet Metal Parts and Components

Products Manufactured

- ▶ Plastic Molded and Sheet Metal Parts and Components

Application Areas

- ▶ Auto Ancillary
- ▶ Consumer Durables Sector



Embracing an Evolved Growth Journey

We have steadily transformed from a specialist in fractional horsepower motors into a prominent force in the electronics manufacturing services (EMS) domain. This evolution reflects decades of disciplined growth, innovation-led execution, and an unflinching commitment to quality. Our journey is marked by in-depth technical expertise and strategic foresight, enabling us to deliver high-impact solutions and generate long-term value for stakeholders.



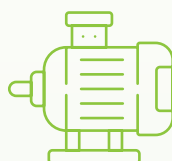
1969

Incorporated Elin Electronics



1973

Commenced production of tape deck mechanism for use in audio cassette players



1977

Started manufacturing of motors as a backward integration



2002

Set up business ties with Signify (erstwhile Philips)



2001

Began LED light manufacturing

Deepened relationship with Philips by venturing into radios and luminaires production



1996

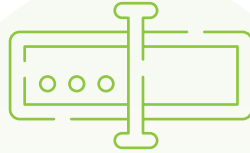
Established a plant in Goa to produce appliances for Philips





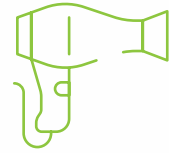
2004

Unveiled an appliance
manufacturing plant in Baddi



2022

Listed on
BSE Ltd. and NSE Ltd.



2023

Initiated the manufacturing of
heated hair brush & TPW fans



2007

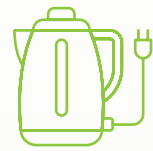
Started production of flashlights
for Eveready

Entered into partnerships with
Panasonic



2020

Ventured into
a tie-up with
Bosch



2025

Commenced for a new
range of products,
including OTGs (oven
toaster grills), OFRs (oil-
filled radiators), electric
kettles, and the Maxx air
fan



2014

Forged collaboration
with Usha



2019

Launched fans and
medical diagnostic
cartridges production



Accelerating Growth with Purposeful Shift



Amidst a rapidly evolving environment, we continued to demonstrate agility during 2024-25, translating our strategic priorities into meaningful outcomes.

Dear Shareholders,

The year gone by was pivotal in steering Elin Electronics towards a stronger and more resilient future. Amidst a rapidly evolving environment, we continued to demonstrate agility during 2024-25, translating our strategic priorities into meaningful outcomes. By sharpening our operational discipline, expanding product portfolio, and bolstering customer centricity, we kept our Company on the trajectory of scalable and sustainable value creation. The year also opened up opportunities to expand in multiple directions, accelerating growth momentum, and positioning us to capitalize on emerging opportunities.

Operating in a Changing Global and Domestic Landscape

The broader context of 2024-25 was marked by persistent global economic volatility, shifting supply chain dynamics, and ongoing geopolitical uncertainties. Against this backdrop, India emerged as an increasingly attractive hub for global manufacturing. Policy tailwinds, including the Government's thrust on incentivizing local production and curbing low-value imports through regulatory interventions, such as BIS and QCO, further strengthened the opportunity landscape for domestic manufacturing. These structural shifts created a conducive macro environment for us to deepen our relationships with OEMs, diversify our portfolio, and



We delivered a resilient performance across key financial and operational metrics. We concluded the year with operating revenue of ₹1,180 Crores, well within our guided range of ₹1,165–1,200 Crores.

prepare for scale, fortifying our momentum over the year.

Steady Progress across Key Metrics

Building on the strategic traction gained through this convergence of macroeconomic opportunity and organisational readiness, we delivered a resilient performance across key financial and operational metrics. We concluded the year with operating revenue of ₹1,180 Crores, well within our guided range of ₹1,165–1,200 Crores. EBITDA for the year stood at ₹52 Crores, slightly below our initial guidance of ₹60–65 Crores, reflecting our conscious and forward-looking investments in automation, capacity enhancement, and product development to bolster our long-term competitive edge.

Our net cash position at year-end was ₹75 Crores, and our cash capex for the year was ₹40 Crores, in line with the plan. Net working capital days stood at 52, slightly above our internal benchmark, but well within prudent thresholds.

While there were areas of under-delivery, particularly around EBITDA margins, we draw confidence from the recovery witnessed in the second half of the year. The momentum built during this period provided a solid platform for margin expansion and improved profitability in 2025-26.

Enhancing Efficiencies through Operational Excellence

Complementing our strategic investments and financial discipline, in 2024-25, we formed a dedicated Operations Excellence team with the mandate of institutionalizing process improvements across plants. By harnessing Industry 4.0 technologies, automation, and proven industry best practices, we achieved annualized cost savings of ₹6 Crores, with a clear pathway to expand this to ₹8–9 Crores in 2025-26. These structural improvements are critical enablers of our medium-term goal of delivering 7–7.5% EBITDA margins by 2026-27.

Strategic Evolution of Business Segments

We continued to evolve our business segments in alignment with market dynamics and long-term objective of strengthening profitability. One of the most significant developments this year was the expansion and rebranding of our Home Appliances segment. Originally focused on small appliances, the portfolio now encompasses high-realization, medium-sized products such as air fryers, OTGs, chimneys, and coolers. With per-unit realizations ranging from ₹2,100–5,000, substantially higher than the current ₹300–600 range, the segment is



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To support this transition, we initiated groundwork at our upcoming manufacturing facility in Bhiwadi, which will serve as the core production hub for this segment. Expected to be operational by March 2026, the plant is projected to generate revenues of ₹140 Crores in 2026-27 and ₹250 Crores in 2027-28. Its full potential stands at ₹550–600 Crores, with an expected steady-state EBITDA margin of 7–7.5% and ROCE of 20% (pre-tax).

The Fans business saw healthy traction during the year, backed by capacity enhancement and customer diversification. A key milestone was the commencement of exports from our Goa facility – marking our first steps toward building a robust international presence.

The Lighting segment, however, witnessed some near-term challenges following the strategic realignment of a major customer, who entered into a joint venture with a competing manufacturer. This development is likely to result in a revenue reduction

of ₹30–35 Crores in 2025-26. However, it has also created fresh avenues for collaboration with new OEMs that prefer non-competing partners, something we are actively pursuing.

The FHP Motors business continued to deliver steady performance, with most volumes absorbed through internal consumption in integrated appliance offerings. This segment remains a critical enabler for cost optimization and value addition through vertical integration.

Expanding Global Horizons

Drawing on the foundation of product diversification and operational scale, we began laying the path for our global foray. International OEMs are increasingly seeking to de-risk their supply chains and localize production in India. We are engaged in exploratory discussions with several of them, particularly for export to the U.S. and Europe. While still in its early stages, this strategic direction reflects our long-term ambition of evolving from a trusted domestic manufacturer to a globally relevant OEM partner.

Committed to Responsible Growth

Our strategic growth ambitions are firmly rooted in responsible business practices. Sustainability continues to shape our operating model and our value proposition. We are embedding ESG principles across the value chain – from energy-efficient product designs to environmentally conscious manufacturing practices. Our upcoming Bhiwadi facility exemplifies this commitment, with sustainability being integrated as a core design principle, ensuring responsible use of energy, water, and resources.



Our strategic growth ambitions are firmly rooted in responsible business practices. Sustainability continues to shape our operating model and our value proposition. We are embedding ESG principles across the value chain – from energy-efficient product designs to environmentally conscious manufacturing practices.



As we move forward, our focus remains firm on our long-term objective – to become the most trusted one-stop manufacturing partner for high-value, high-volume appliances – delivering superior quality, reliability, and cost efficiency.

The Road Ahead

Looking ahead to 2025-26, we have set a revenue guidance of ₹1,350-1,400 Crores, representing 15-18% growth over 2024-25. We expect EBITDA margins to improve to 6-6.5%, driven by a favorable product mix, enhanced scale, and cost optimization initiatives. A planned capex of ₹100-125 Crores will be directed primarily toward the Bhiwadi plant and capacity upgrades across existing operations.

As we move forward, our focus remains firm on our long-term objective – to become the most trusted one-stop manufacturing partner for high-value, high-volume appliances – delivering superior quality, reliability, and cost efficiency.

Closing Note

As we reflect on the progress made in 2024-25, I extend my sincere gratitude to our employees, customers, partners, and shareholders for their continued trust and belief in our vision. We have laid a strong foundation – now is the time to build upon it with purpose, precision, and perseverance. With a clear direction, seamless execution, and unflinching dedication of our teams, we are poised to accelerate our momentum across diverse fronts, staying true to our core objectives and our commitment to stakeholders.

Best regards,

Kamal Sethia
Managing Director

Redefining Direction for Multifaceted Momentum



As this transformation gains momentum, we are emerging as a more structured and efficiency-focused enterprise, backed by leadership depth, performance-based work environment, and a sharper strategic focus.

Dear Shareholders,

The last financial year marked a defining milestone in the journey of Elin Electronics, characterized by strategic realignment and foundational shifts that are reshaping the future of our organization. Beyond financial outcomes, what precisely stood out during the year was our decisive transition – from a legacy-led organization with over five decades of manufacturing excellence to a professionally steered, forward-leaning company. This evolution was directional and cultural, setting the stage for sustained value creation, improved agility, and long-term growth.

As this transformation gains momentum, we are emerging as a more structured and efficiency-focused enterprise, backed by leadership depth, performance-based work environment, and a sharper strategic focus. This renewed organizational clarity is fueling our aspiration to become a long-term partner of choice for our customers, both in India and across global markets.

Foundation of Professionalization and Performance

The year under review marked the first full year under our formalized professional organizational structure – an evolution that was as much about mindset as it was about operational impact. We introduced clear leadership roles, created cross-functional capabilities, and focused intensely on building a leaner, sharper, and execution-focused company.

While the impact of this transition took time to materialize, its results began to surface in the second half of the year. Our annual operating revenue stood at ₹1,180 Crores, marking solid year-on-year growth. Even more encouragingly, profit growth significantly outpaced revenue, driven by more stringent cost discipline, improved operating leverage, and a conscious effort to optimize every part of our value chain.

Our financial position remains robust, with a net cash balance of ₹75 Crores and capex of ₹40 Crores aligned with our investment roadmap. This reflects our focus on prudent capital allocation, readiness to scale, and a decisive shift toward margin-focused mindset.

Multifaceted Momentum and a Clear Aspiration

Aligned with this momentum is our clearly defined aspiration – to become the one-stop-shop for high-volume domestic appliances, serving both Indian and global OEMs. Our expanding presence across categories,

including lighting, fans, kitchen and personal care appliances, heating and cooling equipment, positions us to meet the evolving needs of a modern household.

From our foundational presence in just a few product lines a couple of years ago, we are now marking our footprint in higher-value, medium-sized appliances, including OTGs, chimneys, air fryers, and air coolers. With the exception of refrigerators, washing machines, and air conditioners, we are present across almost every major high-volume home appliance category.

More than product diversification, this shift signifies a structural enhancement of our revenue profile. Whereas our existing product range yielded an average realization of around ₹450–600 per unit, the new portfolio commands a realization range of ₹2,100–5,000 per unit, drastically improving the revenue mix and driving margin stability. Higher realization products inherently leads to better cost-to-revenue ratios, more predictable profitability, and stronger customer retention.



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Enabling Scale: The Bhiwadi Expansion

To propel our transition into a higher-value, multi-category company, we are driving a landmark capacity expansion through the development of a new, leading-edge manufacturing facility in Bhiwadi – our first greenfield expansion in nearly two decades. This investment goes well beyond incremental capacity, representing a strategic



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₹1,180 Crores

Operating Revenue

evolution that is in step with complexity and volume of our evolving product portfolio.

The Bhiwadi plant, with a projected investment of ₹90–100 Crores, is expected to go live by March 2026 and begin commercial contribution in 2026–27. Its revenue visibility is substantial – estimated at ₹140 Crores in 2026–27, scaling to ₹250 Crores by 2027–28, and reaching a steady-state potential of ₹550–600 Crores. At full capacity, the facility is expected to operate at EBITDA margins of 7–7.5% and ROCE of around 20%, a robust validation of our capital efficiency model.

Becoming Sharper and More Agile

As we scale our portfolio and augment our capacity, we are equally focused on institutionalizing operational discipline as a strategic lever for sustainable growth. In step with this intent, we set up a dedicated Operational Excellence (OpEx) team starting January 2025 – the first in Elin's history – with the mandate of cultivating agility, lowering costs, and optimizing operations end-to-end.

We have conducted right-sizing exercises, rationalized overheads, and reviewed procurement

and workforce planning with precision. These actions, though difficult, are essential. Our cost optimization focus covers all major expense heads, including raw material sourcing (~75% of cost), labor (~14%), and overheads (~11%). Early gains are already visible, with indication of these improvements becoming more prominent over the next few quarters.

As we pivot toward higher-value products, expanded capacity, and a more global customer base, we do not endorse cost-cutting for survival. Rather, we focus on cost engineering for growth – an intentional effort to build a business that is both scalable and sustainably profitable.

At the Heart of Every Modern Home

Our product strategy is rooted in relevance and visibility. From kitchen appliances to fans, from personal care to lighting, we are steadily expanding our role in facilitating comfort, convenience, and connected living in Indian households, resonating strongly in every purchase decision. With each category we enter, we are fortifying our presence in high-volume, high-frequency appliance segments,

strengthening our position as a dependable partner in everyday life.

What strengthens our proposition is the rising global interest in India as a manufacturing alternative. The current trade landscape, particularly the U.S. tariffs on China, has made global OEMs reassess their sourcing strategies.



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₹40 Crores
Capex



₹75 Crores
Net Cash Balance

We are currently engaged in early-stage conversations with multiple global OEMs who are looking to relocate parts of their supply chain to India. While these engagements are still preliminary, the signals are timely and encouraging.

Growth with Discipline, Innovation with Purpose

As we step into 2025-26, our priorities are defined through a two-pronged approach – continue building on our multi-category expansion and deliver margin-accretive growth across the board. Our investments in manufacturing, leadership, product development, and customer relationships are all aligned with this vision.

This has been a formative year in Elin Electronics' journey, as it marks our emergence as a more structured, strategically focused, and innovation-led organization. With this definitive transition, we are shaping the future we aspire to lead, with sincerity and accountability, backed by the trust our stakeholders continue to bestow upon us. With confidence and clarity of purpose, we embrace the opportunities ahead and remain committed to deliver value through every product, every partnership, and every decision.

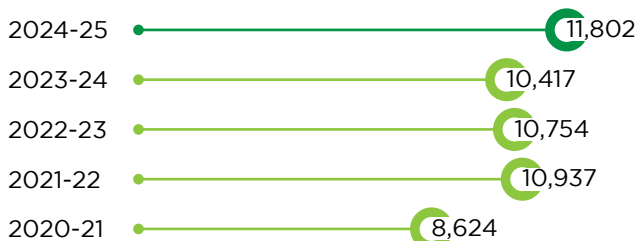
Best regards,

Praveen Tandon
Chief Executive Officer

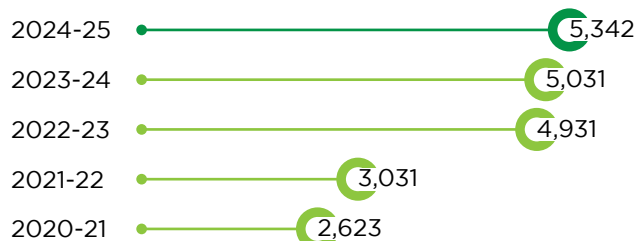
Building Strength through Financial Resilience

We strengthened our financial foundation through disciplined capital allocation and strategic investments, driven by our long-term objectives. Our focus on prudent financial stewardship fosters stakeholder confidence and bolsters our credibility in a rapidly evolving space. Harnessing this balanced approach, we are well-positioned to capture emerging opportunities and sustain value creation for a thriving future.

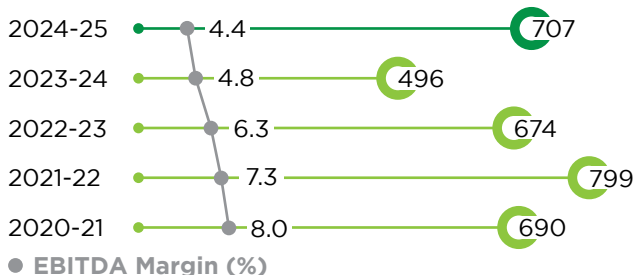
Revenue (₹ in Million)



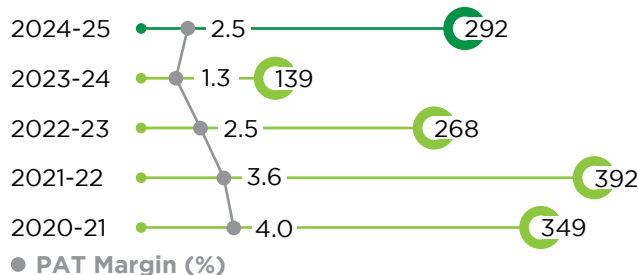
Net Worth (₹ in Million)



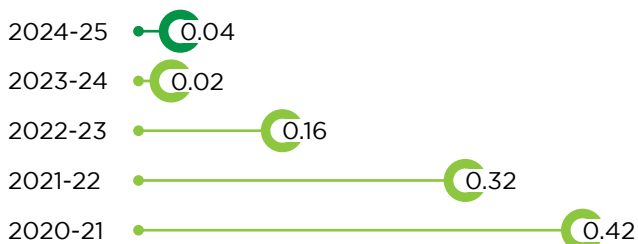
EBITDA (₹ in Million)



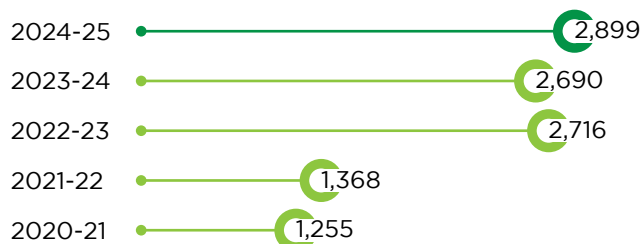
PAT (₹ in Million)



Debt-Equity Ratio (X)



Working Capital (₹ in Million)



Diversified Product Profile - Revenue Break-up

Total EMS (₹ in Million)



Total Non-EMS (₹ in Million)



Furthering Commitment with Stellar Performance

2011

National HR Excellence Award
from Confederation of Indian
Industry having Strong HR
Commitment

Platinum Award in Quality
Excellence by FICCI

2011-12

CSR Excellence Award- SME
Category from ASSOCHAM

Environment Management
Excellence Award by ECINA

Quality Management System
Award by ELLCINA

2012

Rajiv Gandhi National Quality
Excellence Award by Bureau of
Indian Standards

DL Shah National Award on
Economics of Quality from
Quality Council of India

2012-13

Corporate Citizen CSR Award
by FICCI

Sarvshreshtha Suraksha
Puraskar Award by National
Safety Council of India toward
Developing & Implementing
effective Management
Systems & Procedures &
achieving good performance
in OSH

2016

'India SME 100 Awards'
by the India SME Forum
- Ranked in the Top 100
among 49,023 nominations

'India SME 100 Awards'
by the India SME Forum
- ranked in the Top 100
among 41,832 nominations

SME CSR Excellence Award
by ASSOCHAM

2015-16

Shreshtha Suraksha Puraskar
Award by National Safety
Council of India toward
Developing & Implementing
effective Management Systems
& Procedures & achieving
good performance in OSH

Environment Management
Excellence Award by ELCINA
EFY

2014-15

Sarvshreshtha Suraksha
Puraskar Award by National
Safety Council of India toward
Developing & Implementing
effective Management Systems
& Procedures & achieving good
performance in OSH

2013-14

Sarvshreshtha Suraksha
Puraskar Award by National
Safety Council of India toward
Developing & Implementing
effective Management Systems
& Procedures & achieving good
performance in OSH

2017

Excellence in Promotion
of Environment
Conservation &
Sustainable Development

Quality System Excellence
Award by FICCI

Award by ZED
Certification Scheme
for Financial Support to
MSMEs

2017-18

Environment
Management
Excellence Award by
ELCINA EFY

2018

SME CSR Excellence Award
by ASSOCHAM

2019

'India SME 100 Awards'
by the India SME Forum
- ranked in the Top 100
among 34,011 nominations

FICCI Safety System
Excellence Award

2019-20

MSME CSR Excellence
Award by ASSOCHAM

Powering Progress through Manufacturing Acumen

We integrate top-of-the-line technology with precision-led engineering to create reliable, high-performance solutions across categories – leading the way with manufacturing acumen. Backed by future-looking facilities, sophisticated automation, and backward-integrated operations, our agile ecosystem ensures scalability, speed, and consistency.

Marking a New Era of Growth

We are setting up a brand-new facility in Bhiwadi – our first since 2005 – signifying a major move in our growth journey. With an investment of ₹90-100 Crores, this greenfield expansion reflects our strong growth momentum and bold aspirations for the future. While our existing units underwent steady upgrades, this project signals a renewed commitment to scale, innovation, and long-term value creation.

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



1 Ghaziabad (Uttar Pradesh)

Area (in square meter): 19,868.89

Year of commencement: 1970

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

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

2 Baddi (Himachal Pradesh)

Area (in square meter): 20,882.00

Year of commencement: 2004

Products manufactured: Small appliances

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

3 Verna (Goa)

Area (in square metre): 7,500.00

Year of commencement: 1995

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

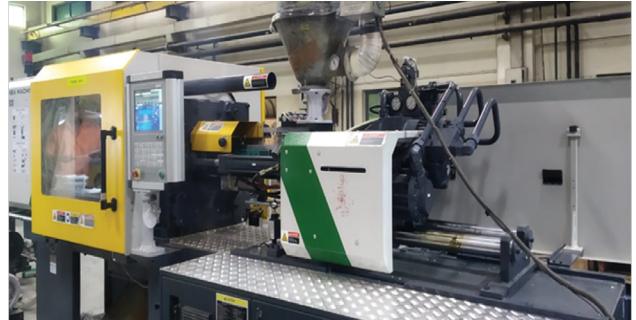
Key machinery/equipment: Tool manufacturing machinery, plastic molding machinery, and product assembly lines

Our Manufacturing Competencies

Assembly Belts



Injection Molding



Development and Engineering



Motors Manufacturing



Die Casting



Tools Manufacturing



Electronics Manufacturing Services



Press Shop



Driving Impact with Empowered Workforce

We cultivate a workforce that thrives on initiative, challenge, and collective ambition. By investing in continuous learning, hands-on development, and inclusive collaboration, we empower our teams to ask questions, lead with confidence, and think beyond the obvious. Our people bring agility to operations and ingenuity to problem-solving – propelling progress across the organization. United by resilience, driven by purpose, and enriched by expertise, we are shaping the future with clarity, capability, and a shared commitment.

Our HR Objectives

- › Embracing Diversity
- › Career Development
- › Employee Empowerment
- › Safe Workplace
- › Cost Optimization
- › Workplace Engagement
- › Transparent Culture
- › Tackling Challenges
- › Leadership Development



Capability Development and Learning Culture

We believe that continuous learning is the foundation of sustainable growth for both our employees and our organization. During the year under reporting, we maintained sustained investments in structured training programs that build both technical and managerial competencies. Our approach blends classroom learning, function-specific sessions, and on-the-job training to ensure practical, real-time skill development.



Talent Management and Career Progression

We attach immense importance to performance and potential, cultivating a merit-based culture. Our appraisal process is designed to be fair, transparent, and outcome-focused, ensuring that every individual is recognized and rewarded for their contributions. Throughout the year under review, we identified high-potential employees and gave them opportunities to grow, whether through role enhancements, dual responsibilities, or career progression plans.





Diversity, Inclusion, and Empowerment

We made significant strides in promoting a diverse and inclusive workplace. Today, more than 150 women are part of our team, contributing meaningfully across various functions. We continued to invest in targeted training programs, aimed at empowering women to take on broader responsibilities and leadership positions. Our POSH Committee plays a key role in providing a safe and supportive platform for addressing workplace concerns. Through regular sensitization and open dialogue, we are constantly working to foster a culture of respect, equality, and empowerment.



Employee Engagement and Workplace Well-being

We believe that a positive work environment is essential to optimize productivity and ensure retention. Over the past year, we organized team-building initiatives, festival and birthday celebrations, and motivational sessions to build camaraderie and connection across teams. We also hosted a number of wellness programs, including blood donation camps, health education, and physical well-being initiatives.



Occupational Health, Safety and Environmental Responsibility

We put in place a robust Occupational Health & Safety framework, guided by ISO 45001:2018 and the Factories Act, 1948. We conduct structured risk assessments, emergency response drills, and regular safety audits to ensure our workplaces are secure, compliant, and prepared.

During 2024-25, we trained over 1,350 employees on key safety topics, including electrical hazards, fire safety, first aid, and chemical handling. Regular medical check-ups, including spirometry and audiometry tests for employees in high-risk roles, helped us in early detection and addressal of potential issues. Moreover, we maintained strict sanitation and pest control standards, collaborated with local hospitals for emergencies, and ensured ambulance services are always available on-site.



Nurturing Environment with Climate-conscious Actions

We blend environmental responsibility into every stage of our operations, redefining efficiency through conscious manufacturing and intelligent resource usage. Low-impact processes, judicious water use, and a commitment to zero avoidable waste are the integral components of our systematic and forward-leaning sustainability approach. This is how we chart our course beyond compliance, building climate-conscious systems that are resilient, responsible, and ready for the future.

01

Sustainable Packaging and Material Efficiency



7

Laser printers installed, with zero ink or chemical use



All sterilizer packaging now biodegradable

02

Water Conservation and Zero Discharge



26,400 liters

AC condensate reused



2,800+ KL

Reduction in the volume of freshwater usage since 2019

03

Circular Economy and Localized Sourcing



5+

Imported materials localized

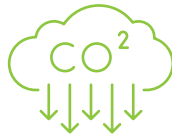


Registered under EPR and plastic waste management rules

04

**Energy Efficiency and
Renewable Transition****500+ KWp**Rooftop solar project
underwaySolar streetlights
installed under
CSR

05

**Emission Control and
Scope 3 Reduction****11 MT CO₂**Saved annually via
shared logisticsScope 1, 2, and 3
emissions being
actively monitored

06

**Responsible Waste and
Resource Management****100x**Packaging reuse with
PP corrugationZero mismatch in
packaging via QR
automation

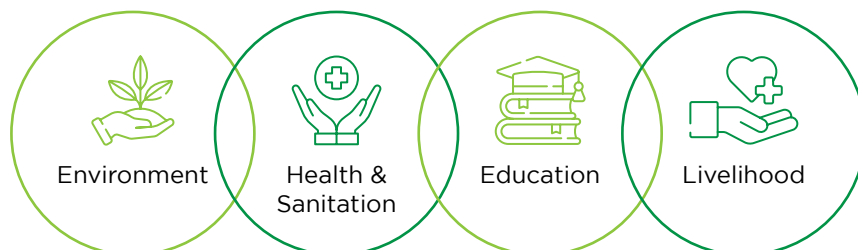
07

**Tree Plantation and
Green Restoration**1,000 trees
in Handa-
Kundi1,500 trees planted
on 9,000 square
meter of barren
land at Shree
Krishna Gaushala1,000 trees
across the BBNIA
industrial belt

Fostering Change through Social Imperatives

We view social responsibility as an enabler for meaningful, measurable change. Our efforts encompass grassroots healthcare access, skill-building for employability, and environmentally conscious development, aimed at uplifting underserved communities. By aligning empowerment with equity, we encourage people to take charge of their futures. Each initiative we design strengthens partnership and promotes social well-being, cultivating self-reliance, dignity, and long-term progress for a more inclusive tomorrow.

Our Focus Areas



Community Engagement

Healthcare Programs

- ▶ Organizing health check-up camps in nearby villages
- ▶ Promoting awareness through campaigns on hygiene and sanitation



Educational Initiatives

- ▶ Distribution of learning materials to underprivileged children
- ▶ Support to local schools for infrastructure development and digital learning tools



Local Amenities

- ▶ Installation of solar street lights in underserved areas
- ▶ Construction and repair of sanitation facilities and water systems



Key CSR Projects in 2024-25

Environment Sustainability: 'Ek Ped Maa Ke Naam' Initiative

We launched a forest development project under the 'Ek Ped Maa Ke Naam' campaign in response to the call of the Hon'ble Prime Minister and to celebrate Van Mahotsav 2024. The project was supported via official request from the office of CEO, BBNIA. This initiative involved:

- ▶ Dense plantation and conservation of natural resources around the industrial belt
- ▶ Symbolic dedication of trees to mothers, promoting the values of care and nurturing



Forest Development at Cattle Sanctuary (July 2024)

We contributed to the ecological development of a cattle sanctuary through:

- ▶ Dense plantation to offer shade and fodder for stray cattle
- ▶ Installation of solar lights to aid night-time care
- ▶ Repair and maintenance of shed roofs to protect animals during monsoons
- ▶ Educational labeling of trees with their botanical and local names



Reforestation Project: Laghu Van Vikas Pariyojana (Part II)

We undertook a Miyawaki-style afforestation project at Shree Krishna Gaushala, Baddi, on 9,000 square meters of barren land using native species.

- ▶ Reclaiming degraded land through dense native forests
- ▶ Promoting biodiversity and carbon sequestration
- ▶ Reducing carbon footprint by replacing deforested areas and widening green cover



Shaping Transformation with Long-term Vision

We are guided by a leadership committed to enduring progress, steering the organization with conviction, clarity, and an eye on unfolding and upcoming opportunities. Through strategic foresight and a culture built on excellence, we foster agility, inspire innovation, and mobilize teams to outperform. Our ability to navigate complexity, drive change, absorb shifts, and act decisively positions us at the forefront of industry landscape. With well-calibrated moves, we are curating a path imprinted with purpose, vigor, and a dedication to long-term value creation.

**4**

Non-Executive & Independent Directors

**4**

Executive Directors

Key Managerial Personnel

Mr. Praveen Tandon

Chief Executive Officer

Mr. Kishore Sethia

Director (Operations)

Mr. Raj Karan Chhajer

Chief Financial Officer

Ms. Lata Rani PawaCompany Secretary &
Compliance Officer

The Board



Mr. Mangi Lal Sethia

Chairman & Whole-time Director



Mr. Kamal Sethia

Managing Director



Mr. Sanjeev Sethia

Whole-time Director



Mr. Sumit Sethia

Whole-time Director



Mr. Kamal Singh Baid

Independent Director
(Ceased w.e.f. March 30, 2025)



Mrs. Shilpa Baid

Independent Director



Mr. Shanti Lal Sarnot

Independent Director



Mr. Ashish Chandra Guha

Independent Director



Ms. Priyanka Jain

Independent Director
(Appointed w.e.f. February 08, 2025)

Corporate Information

Board of Directors

Mr. Mangi Lall Sethia

Chairman & Whole-time Director

Mr. Kamal Sethia

Managing Director

Mr. Sanjeev Sethia

Whole-time Director

Mr. Sumit Sethia

Whole-time Director

Mr. Kamal Singh Baid

Independent Director

(Ceased w.e.f. March 30, 2025)

Mrs. Shilpa Baid

Independent Director

Mr. Ashish Chandra Guha

Independent Director

Mr. Shanti Lal Sarnot

Independent Director

Ms. Priyanka Jain

Independent Director

(Appointed w.e.f. February 08, 2025)

Chief Financial Officer

Mr. Raj Karan Chhajer

Company Secretary

Ms. Lata Rani Pawa

Auditors

S. R. Batliboi & Co. LLP

Registrar Transfer Agent

KFin Technologies Limited

Selenium, Tower B, Plot No. 31 and 32,

Financial District, Nanakramguda, Serilingampally,

Rangareddi, Hyderabad - 500 032, Telangana

Bankers

HDFC Bank Limited

Citibank N.A.

ICICI Bank Limited

Registered Office & Corporate Office

4771, Bharat Ram Road, 23, Daryaganj, Delhi - 110 002

Phone No.: +91 11 4300 0400

CIN: L29304DL1982PLC428372

Email ID: rkc@elinindia.com

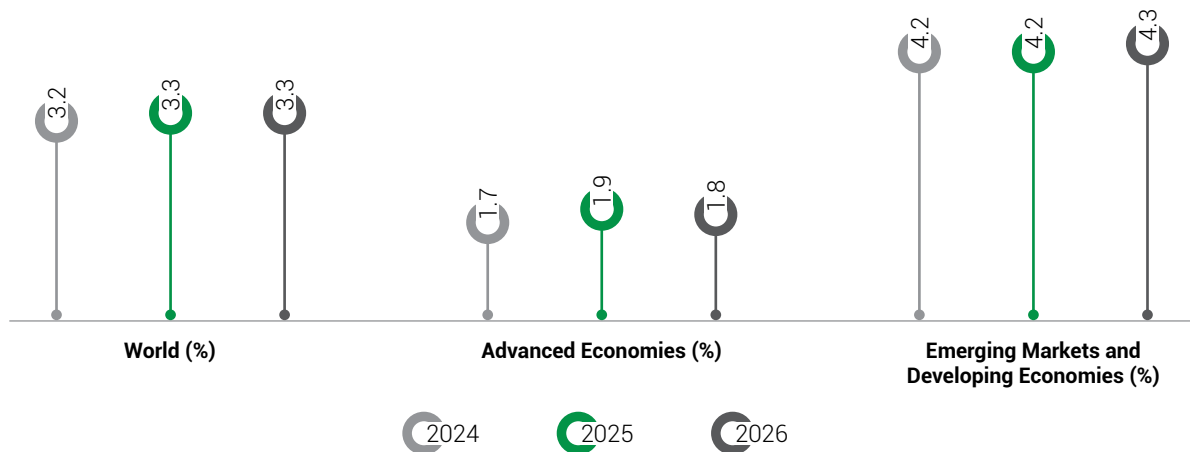
Website: www.elinindia.com

Management Discussion and Analysis

GLOBAL ECONOMIC OVERVIEW

In 2024, the global economic landscape was shaped by a delicate balance between resilience and uncertainty. A slew of geopolitical flashpoints, including the prolonged Russia-Ukraine war, Israel-Gaza conflict, and the U.S.-China trade disputes, coupled with inflationary pressures driven by disrupted supply chains and rising energy costs, weighed heavily on investment climate. Moreover, escalating political instability, stemming from electoral transitions in major economies and evolving policy trajectories in emerging markets, added to the complexity of the macroeconomic environment. Despite these headwinds, global trade demonstrated significant adaptability and volume rebound with a growth of 3.6%, as economies realigned supply chains and diversified trade routes.

Looking ahead, the global economic outlook remains relatively steady, with the International Monetary Fund (IMF) projecting a stabilization of GDP growth at 3.3% for two consecutive years, 2025 and 2026. While this estimate reflects a moderation from the historical average of 3.7% witnessed between 2000 to 2019, it also marks an upward revision for the U.S., offsetting downward adjustments in other major economies. Advanced economies are expected to register a subdued pace, with growth rates ranging between 1.9% in 2025 to 1.8% in 2026. On the contrary, emerging markets and developing economies are poised to sustain stronger momentum, with projected growth rate of 4.2% and 4.3%, respectively, during the same period.



Estimate: 2024 Projections: 2025 and 2026

Amidst a complex mix of evolving monetary policies, easing inflation, and region-specific headwinds, the global growth narrative for 2025 presents divergent momentum across advanced and emerging economies. Global headline inflation is expected to continue its downward trajectory, declining from 4.2% in 2025 to 3.5% in 2026. Advanced economies are on course to return to their inflation targets sooner than their emerging market counterparts. In the U.S., growth is projected at 2.7% in 2025, supported by robust consumer demand, wealth effects, and a more accommodative monetary policy. Conversely, the Euro Area is faced with a more gradual recovery, with growth projected at 1.0% in 2025, constrained by persistent geopolitical tensions, policy uncertainties, and weak manufacturing momentum. Meanwhile, China is anticipated to grow at a rate of 4.6% in 2025, though its outlook remains clouded by structural imbalances, including tepid domestic consumption and ongoing concerns in real estate market. While financial conditions are expected to ease globally, trade uncertainties and geopolitical risks continue to

influence investment sentiment, leading to an uneven pace of economic expansion across different regions.

(Source: World Economic Outlook, January 2025)

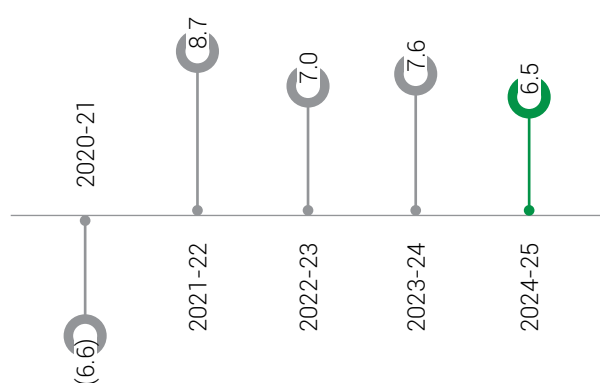
INDIAN ECONOMIC OVERVIEW

At the backdrop of a volatile global economic context, India continues to chart a robust and resilient trajectory. Surging at a 6.5% GDP growth, the Indian economy is firmly positioned among the fastest-growing major economies of the world. This growth is primarily driven by robust domestic demand, increased capital expenditures, and a resilient services sector – now accounting for approximately 55.3% of the Gross Value Added (GVA). Exports activity within the sector remains a prime enabler, with double-digit growth led by information technology and computer-related domains. Industrial activity is also expected to gain traction, bolstered by strong performances in electricity and construction. Urban real estate market is experiencing renewed dynamism, driven by a surge in housing demand.

Management Discussion and Analysis (Contd.)

Simultaneously, India's transition to a low-carbon economy is propelling steadily, with renewable energy capacity rising by 15.8% year-on-year. Comprising 47% of the total installed power mix, this development reaffirms the nation's commitment to accelerating the adoption of clean energy. The digital economy stands as a transformational pillar and is on track to surpass USD 1 Trillion by 2025, with burgeoning digital infrastructure and innovation ecosystems catalysing inclusive and sustainable growth.

Indian Economy GDP Growth Rate (in %)



India's medium to long-term growth aspirations are backed by a sound reform agenda, focused fiscal discipline, and a commitment to cultivate a globally competitive business ecosystem. Inflation is projected to remain stable, supported by prudent fiscal and monetary policies. Growth momentum is further strengthened by sustained infrastructure investments and targeted incentives under the Production-Linked Incentive (PLI) scheme. This focused intervention continues to catalyse domestic manufacturing, attract significant investments, and generate substantial employment opportunities across various sectors. To remain on track to achieve its long-term vision of 'Viksit Bharat' by 2047, India aims to sustain an 8% annual growth rate – an ambition backed by robust structural reforms, continued emphasis on innovation and investment, and improvements in institutional efficiency. The key policy measures, including 'Ease of Doing Business 2.0,' systemic deregulation, labour law simplification, tax rationalization, and digital governance, are driving the nation toward sustainable and inclusive growth. To foster a more conducive business climate, the Indian Government implemented extensive regulatory streamlining under the 'Ease of Doing Business 2.0' initiative, eliminating over 39,000 compliance and decriminalizing more than 3,400 legal provisions.

(Source: <https://www.india-briefing.com/news/economic-survey-of-india-2024-25-key-highlights-36004.html/>)

INDUSTRY OVERVIEW

Indian Electronics Industry Review

India's electronics industry is emerging as a critical enabler of the country's technological and industrial transformation, backed by strong policy support, rising investments, and surging domestic demand. The sector is witnessing an exponential growth, and is projected to reach USD 115 Billion in 2024. This sound trajectory is positioning India as a key global hub for electronics and semiconductor manufacturing. The semiconductor segment, in particular, is experiencing accelerated momentum, with projections indicating a surge from USD 38 Billion in 2024 to USD 105 Billion by 2030. An increased adoption across industries and focused government initiatives in chip design, fabrication, and packaging are propelling the pace.

The Electronics Manufacturing Services (EMS) sector continues to scale rapidly. Expected to touch USD 220 Billion by 2025, the sector is drawing strength from ongoing diversification of global supply chains, rising domestic consumption, and an ever-increasing shift toward OEM outsourcing. To further bolster this momentum, the Government approved a USD 2.7 Billion PLI scheme in March 2025, aimed at mobilizing USD 7 Billion in investments and creating an estimated 91,000 new jobs. Complementary measures such as the rationalization of import duties on key components were implemented to further augment cost competitiveness and encourage domestic value addition. With a robust, policy-driven ecosystem and growing investor confidence, India is poised to become a leading destination in global electronics manufacturing and next-generation semiconductor innovation.

(Source: <https://www.marknteladvisors.com/research-library/india-semiconductor-market.htm>, <https://www.imarcgroup.com/indian-pcb-market>, <https://www.indiaelectronicsexpo.com/indian-electronics-industry/>, <https://www.ft.com/content/def3e2bf-d2a6-44be-9876-4d71f0f0326c>, <https://www.reuters.com/world/india/india-budget-india-axes-import-tax-some-smartphone-parts-boost-apple-xiaomi-2025-02-01/>)

Indian EMS Industry Review

In 2025, the EMS sector continues to gain significant traction, driven by rising domestic demand, export competitiveness, and sound policy support, cementing its role as a critical pillar in the nation's electronics value chain. Valued at USD 61.85 Billion in 2024, the India EMS market is projected to expand at a CAGR of 28% between 2025 and 2031, reaching an estimated USD 348.17 Billion by 2031, according to projections revealed by BlueWeave Consulting. This standout performance is the culmination of a host of factors that include rising domestic demand

Management Discussion and Analysis (Contd.)

for electronic devices, especially smartphones and IT hardware. In addition, the Government's continued push through initiatives like PLI Scheme, Make in India, and the Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECs) are fortifying the growth trajectory.

Consumer electronics continue to dominate the EMS space, with India now firmly established as the world's second-largest mobile phone producer, delivering sky-rocketing exports performance over the past decade. South India, particularly Tamil Nadu, has emerged as a key hub due to the concentration of major manufacturing facilities, including global players like Apple's supply chain partners, such as Foxconn.

Concurrently, the EMS opportunity is diversifying into high-growth verticals, including industrial automation and automotive electronics. The rapid adoption of electric vehicles, the roll-out of Industry 4.0 practices, and increasing demand for leading-edge automotive and industrial electronics are catalysing further expansion in the EMS space. The integration of artificial intelligence (AI) and automation is revolutionizing production processes, optimizing quality control, and enabling predictive maintenance, collectively augmenting efficiency and cutting down costs.

While the sector's growth prospects remain strong, challenges continue to cast a shadow on the trajectory. Periodic component shortages, supply chain disruptions, and global geopolitical uncertainties persistently mount pressure on input costs and lead times. Nonetheless, the sector remains competitive and resilient, with leading players such as Dixon Technologies, Foxconn, Flex, Sanmina, and Jabil scaling up operations through partnerships, joint ventures, and capacity expansion.

Against this backdrop, India's EMS industry is set to play a pivotal role in India's ambition to surpass USD 300 Billion in overall electronics manufacturing by 2025-26 – driven by policy support, technological progress, and rising aggregate demand.

Sources:

- *BlueWeave Consulting: India Electronics Manufacturing Services Market Analysis*
- *BlueWeave Consulting: India Electronics Manufacturing Services Market Report*
- *Economic Times: A decade of Make in India: Growth propeller for electronics mfg industry*

- *India Briefing: India's Electronics Manufacturing – Challenges and Opportunities*
- *Moneycontrol: Budget 2025 could give India's electronics manufacturing industry a boost*

Sectoral Demand Drivers

Surging Domestic Demand

India's EMS sector is experiencing sound demand-side momentum, primarily driven by a burgeoning middle class, increasing disposable incomes, and rapid digitalization across the economy. The consumer electronics segment, especially smartphones and IT hardware, remains the primary engine of demand, supported by Government initiatives, such as PLI scheme and Make in India. Additionally, there is strong traction in emerging verticals such as automotive electronics, industrial automation, and medical devices, as more sectors integrate advanced electronics into their products and services.

Import Substitution & Local Value Addition

India's industrial policy has sharpened its focus on import substitution, aiming to build greater self-reliance across the electronics value chain. Through the PLI scheme and the SPECs, the Government is incentivizing local manufacturing of components and sub-assemblies. These fiscal and regulatory enablers are encouraging OEMs and EMS providers to shift focus toward local vendors, thereby reducing reliance on imports and strengthening the domestic supply chain.

Export Growth & China Plus One

India is increasingly gaining prominence as a competitive and dependable electronics export hub. The EMS exports of the country have seen a dramatic rise, with mobile phone exports alone increasing by over 7,500% in the last decade, a reflection of India's manufacturing maturity and policy impetus. The global 'China Plus One' strategy is further boosting the momentum, as leading OEMs continue to diversify their manufacturing base, bringing more international business to Indian EMS firms.

Technology and Industry 4.0 Adoption

The EMS industry is entering a new era of intelligent manufacturing, driven by the integration of AI, automation, IoT, and Industry 4.0. Smart factories, predictive maintenance, and robotics are redefining manufacturing agility and precision. The roll-out of 5G infrastructure and the growing adoption of electric vehicles are unlocking fresh avenues for expansion, pushing the demand for cutting-edge electronics manufacturing.

Management Discussion and Analysis (Contd.)

E-commerce and Digital Economy Expansion

India's booming e-commerce sector and rapidly expanding digital economy are creating a ripple effect across the EMS landscape. High internet penetration, affordable data, and digital-first consumer behaviour are accelerating the demand for a wide range of electronic products, from smartphones to home appliances.

Opportunities

- **Government Policy Support:** Continued incentives via PLI, SPECS, and Make in India are drawing investments, fostering innovation, and building a globally competitive EMS ecosystem.
- **Export Expansion:** A sustained growth in global demand, particularly in the context of international brands diversifying away from China, opens up fresh opportunities for Indian EMS providers to tap into new export markets.
- **Technological Leadership:** Adoption of Industry 4.0, AI, and automation enables Indian EMS companies to move up the value chain and offer higher-value services.
- **Regional Manufacturing Hubs:** States like Tamil Nadu and hyper local bases like Greater Noida are emerging as EMS powerhouses, synergizing world-class infrastructure with conducive supply chain dynamics.
- **Sustainability:** Prioritization of energy efficiency, eco-friendly manufacturing, and green supply chains continues to augment competitiveness, enhancing Indian EMS' value proposition to global partners.

Threats

- **Global Competition:** Emerging manufacturing hubs such as Vietnam, Indonesia, and the Philippines continue to pose competitive pressure, offering OEMs attractive alternatives with lower labor costs and favourable policies.
- **Component Supply Chain Risks:** Persistent shortages of electronic components, often due to geopolitical tensions or global disruptions, present a material risk to output continuity and cost efficiency.
- **Import Dependence:** Despite ongoing localization efforts, India remains reliant on imported components, especially semiconductors, making the sector vulnerable to currency fluctuations and global supply shocks.
- **Infrastructure and Regulatory Bottlenecks:** Inadequate logistics, power supply, and bureaucratic hurdles can slow expansion and deter investment.

- **Rapid Technology Shifts:** The need to constantly invest in new technologies (AI, IoT, 5G) places financial and operational pressure on EMS providers, particularly smaller firms.
- **Macroeconomic and Geopolitical Uncertainty:** Global economic slowdowns, trade disputes, and regional conflicts can impact demand and disrupt supply chains.

COMPANY OVERVIEW

Elin Electronics Limited ('Elin Electronics' or 'The Company'), established in 1982, stands as a trusted name in Indian Electronics Manufacturing Services (EMS) landscape, raising the benchmark of quality in the industry. The Company offers innovative and comprehensive product solutions to leading Indian and global brands across high-demand categories, including lighting, fans, small appliances, and kitchen appliances. Elin Electronics is also one of the largest manufacturers of fractional horsepower (FHP) motors in India, marketed under its flagship 'Elin' brand – widely associated with quality, consistency, and engineering reliability.

Elin Electronics' business model spans both Original Equipment Manufacturing (OEM) and Original Design Manufacturing (ODM), enabling it to deliver scale with flexibility. While the OEM model involves precision manufacturing as per customer specification, the ODM approach enables Elin Electronics to design and develop its own products that clients then market under their own brands. The Company's well-established ODM capabilities, particularly in small appliances and LED lighting, serve as powerful levers for growth and product differentiation.

Listed on both the National Stock Exchange Limited (NSE Limited) and BSE Ltd., and headquartered in New Delhi, Elin Electronics continues to build on a manufacturing legacy of over four decades. The Company remains focused on augmenting operational excellence, deepening customer relationships, and expanding its role in India's growing electronics manufacturing ecosystem.

During 2024-25, EMS continued to steer Elin Electronics' performance, generating 76.43% of total revenues, broadly mirroring the previous year's contribution of 76.42%. The non-EMS segment accounted for the remaining 23.57%, reflecting sustained traction and a well-balanced business portfolio.

Segment-wise Growth Drivers

Elin Electronics' diversified product portfolio spans several high-opportunity segments, each contributing uniquely to the overall business momentum.

Management Discussion and Analysis (Contd.)

- **LED Lighting:** Despite facing industry-wide headwinds in 2023-24, including price pressures and subdued demand, Elin Electronics maintained its domination in this segment. Though revenue declined to ₹ 2,147 Million in 2024-25 from ₹ 2,408 Million the previous year, the long-term outlook remains favourable, supported by national energy-efficiency initiatives and rising adoption.
- **Fans:** With demand for BLDC and TPW fans gaining momentum, this segment delivered over 62% year-on-year growth in 2024-25. Annual revenue rose to ₹ 597 million in 2024-25, from ₹ 368 million in 2023-24, reflecting Elin Electronics' agile response to growing consumer shift towards energy efficiency and the Company's ability to scale production of next-generation fan models.
- **Home Appliances:** A key strength area for Elin Electronics, this segment, comprising mixer grinders, toasters, irons, ovens, and Personal grooming products, recorded a revenue of ₹ 2,859 Million in 2024-25 compared to ₹ 2,368 Million in 2023-24. The enablers driving this momentum included sound volume traction, new product launches, and improved capacity utilization. The Company is set to expand its portfolio and venture into personal care and beauty appliances, maintaining its diversification agenda.
- **FHP Motors:** Elin Electronics remains a leading player in this segment, a critical component in appliances

like mixer grinders, FAN, AC ODU/IDU and chimneys. Segment revenue rose to ₹ 2,466 Million in 2024-25 from ₹ 2,055 Million in 2023-24, with growth primarily driven by fan motor demand despite some moderation due to internal consumption.

- **Medical Diagnostic Cartridges:** This specialized vertical under the non-EMS segment demonstrates Elin Electronics' diversification strategy and entry into high-value, niche markets. With rising global demand for personalized diagnostics, the Company's capabilities in medical cartridge manufacturing provide a differentiated revenue stream.
- **Moulded and Sheet Metal Components:** Serving key sectors, including auto and consumer durables, these non-EMS components support a resilient base business and generate vertical integration benefits.

Outlook

Elin Electronics enters 2025-26 with strong manufacturing fundamentals and a sound growth trajectory, driven by integrated operations, diversified portfolio, and a focused innovation-led approach. The Company issued revenue guidance of 15-18% for the ongoing financial year, with home appliances, fans, and motors expected to be the key growth enablers. As it continues to expand capabilities, widen its addressable market, and bolster customer engagement, Elin Electronics remains on a sustainable growth path, creating enduring value for all stakeholders.

FINANCIAL PERFORMANCE

(Consolidated Numbers)

₹ in Million	2024-25	2023-24
Revenue	11,802	10,417
EBITDA	524	405
EBITDA Margin (%)	4.4	3.9
PAT	293	139

Key Ratios	2024-25	2023-24	% Change
Inventory Turnover (x)	7.34	6.59	11.44
Debtors' Turnover Ratio (x)	5.54	5.25	5.55
Interest Coverage Ratio (x)	6.08	3.43	77.26
Current Ratio (x)	2.61	2.74	(4.68)
Debt-Equity Ratio (x)	0.04	0.02	91.91
Operating Profit Margin (%)	2.35	2.67	(11.99)
Net Profit Margin (%)	2.48	1.33	86.55
Return on Equity/Return on Net Worth (%)	5.65	2.79	102.98

Management Discussion and Analysis (Contd.)

Explanation for Variances

The debt-equity ratio has increased primarily due to a rise in borrowings.

Improved profitability has led to an increase in key financial metrics, including the Interest Coverage Ratio, Return on Equity/ Net Worth, and Net Profit.

Transactions with Promoter Group Entities

There were no transactions during the period between the Company and any individual or entity forming part of the promoter/ promoter group that holds 10% or more shareholding in the Company.

RISK MANAGEMENT

Risk Category	Description/Impact	Mitigation Strategy
Globalization Risk	Intense competition from low-cost imports, especially from China, may erode margins and reduce market share.	Diversify supply chain, source from alternative markets, increase investment in product innovation and quality.
Industry Risk	Cyclical downturns or stagnation in the electronics sector may affect growth and revenues.	Enrich product mix, foray into new verticals, form strategic alliances, and conduct scenario planning.
Client Concentration Risk	Over-reliance on a few major clients may cause revenue volatility in the event of customer attrition.	Expand customer base, target new segments/geographies, and strengthen client relationships.
Regulatory & Compliance Risk	Non-compliance with evolving regulations can lead to penalties and reputational damage.	Implement robust compliance framework, conduct regular audits, provide employee training, and maintain close engagement with regulatory bodies.
Supply Chain & Geopolitical Risk	Disruptions due to global events, component shortages, or geopolitical tensions may impede production continuity.	Adopt multi-sourcing strategies, build strategic inventory buffer, deploy digital supply chain tools, and forge close collaborations with suppliers.
Technology & Cybersecurity Risk	Rapid technological evolution and digitalization increase the risk of product obsolescence and exposure to cyber threats.	Ensure continuous technology upgrades, enhance R&D investments, prioritize employee training, and implement strong cybersecurity protocols.
Human Resources Risk	Talent shortages or low employee engagement may impact productivity and innovation.	Focus on talent development, foster supportive work culture, and invest in employee well-being initiatives.
Financial Risk	Fluctuations in key financial ratios, profitability, or liquidity may hinder operational flexibility and growth.	Emphasize prudent financial management, ensure strong liquidity buffer, maintain low leverage, and exercise tight control over working capital.
Infrastructure Risk	Inadequate logistics, power, or industrial infrastructure may constrain capacity expansion.	Invest in facilities, partner with regional hubs, and leverage Government infrastructure schemes.

HUMAN RESOURCES

At Elin Electronics, people are the true enabler behind its sustained progress. The Company, guided by the belief that organizational success is built on the strength of its workforce, continues to shape a workplace culture where creativity, collaboration, and individual growth are actively nurtured.

Elin Electronics' human capital strategy is rooted in inclusivity, continuous learning, and leadership development. A wide array of initiatives, including structured skill enhancement programs, wellness endeavors, digital learning platforms, and employee recognition frameworks, is designed to elevate engagement and build a future-ready

workforce. By cultivating every touchpoint, the Company continues to build capability and create an empowering and empathetic environment.

As of 31st March 2025, Elin Electronics' workforce stood at 2,376 employees, marking another year of sustainable expansion. This growth highlights Elin Electronics' commitment to create meaningful employment opportunities and fortify its capacity to deliver excellence across product lines and geographies. With a forward-looking HR agenda closely aligned to business strategy, Elin Electronics remains focused on building a resilient, agile, and future-leaning organization where people lead the way.

Management Discussion and Analysis (Contd.)

INTERNAL CONTROL SYSTEM

Elin Electronics instituted a robust and well-calibrated internal control system that is aligned with the scale and complexity of its operations. The framework is fully compliant with all relevant statutory and regulatory requirements. It is designed to uphold disciplined business conduct, safeguard corporate assets, prevent and detect fraud or errors, and maintain the integrity of accounting records. It also plays a vital role in enabling the timely and accurate preparation of financial statements, supporting Elin Electronics' commitment to transparency, accountability, and good governance.

The effectiveness of the internal control system is regularly evaluated through a combination of internal audits and independent statutory reviews. These audit mechanisms provide valuable feedback on the adequacy of controls and help identify opportunities for process improvements. Oversight is exercised by the Audit Committee, ensuring that any recommended changes are implemented in a timely manner. Elin Electronics continues to strengthen its control environment to support sound decision-

making, operational resilience, and sustainable business performance.

CAUTIONARY STATEMENT

This Management Discussion and Analysis Report contains certain forward-looking statements in line with applicable laws and regulations. These statements reflect the Company's current expectations, strategic intentions, and outlook, including plans, projections, estimates, and anticipated performance.

However, actual results may materially differ from those expressed or implied due to a range of external and internal factors. These may include fluctuations in demand and supply dynamics, changes in government policies and international regulations, shifts in tax frameworks, macroeconomic conditions both in India and globally, and other uncertainties such as legal proceedings and workforce-related matters. The Company undertakes no obligation to publicly update any forward-looking statements, which are subject to change based on evolving circumstances.

Board's Report

Dear Members,

The Board of Directors are pleased to present the 43rd Annual Report of ELIN ELECTRONICS LIMITED ("your Company") together with the Audited Financial Statements (Standalone as well as Consolidated) of the Company, for the financial year ended 31st March, 2025.

FINANCIAL PERFORMANCE SUMMARY

The summarized financial performance highlight is as mentioned below:

(Figures in ₹ in Million)

Particulars	Standalone		Consolidated	
	31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
Revenue from Operations	9,449.47	8,352.00	11,802.06	10,417.17
Other Income	102.70	90.20	183.44	91.07
Total Income	9,552.17	8,442.20	11,985.50	10,508.24
Profit before Finance Cost, Depreciation, Impairment and Amortization expenses	539.24	445.74	707.10	496.48
Less: Finance Cost	62.28	77.32	75.83	81.16
Profit before Depreciation, Impairment and Amortization expenses	476.96	368.42	631.27	415.32
Depreciation, Impairment and Amortization expenses	204.13	186.50	246.12	218.49
Profit before Taxes	272.83	181.92	385.15	196.83
Less: Provision for Current Tax	49.63	54.95	69.05	56.86
Provision for Deferred Tax	21.48	(0.42)	22.88	1.23
Profit for the year	201.72	127.39	293.22	138.74
EPS (Basic and diluted) (amount in ₹)	4.06	2.57	6.11	2.90

Note: The Company has not transferred any amount to reserves.

PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

During the year under review, the Standalone revenue from operations increased by 13.14% to ₹ 9,449.47 Million as against ₹ 8,352.00 Million in the previous financial year. The net profit after tax increased by 58.35% to 201.72 Million as against ₹ 127.39 Million in the previous financial year.

The consolidated revenue from operations increased by 13.29% to ₹ 11,802.06 Million as against ₹ 10,417.17 Million in the previous financial year. The consolidated net profit after tax increased by 111.35% to 293.22 Million as against ₹ 138.74 Million in the previous financial year.

DIVIDEND

The Dividend Distribution Policy, in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is annexed as Annexure-I to this Report and is also available on the website of the Company at <https://www.elinindia.com/pdf/investors/policies/Dividend-Distribution-Policy.pdf>. The Board do not recommend any dividend for F.Y. 2024-25.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business during the F.Y. 2024-25.

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

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

DISCLOSURE ABOUT UTILIZATION OF INITIAL PUBLIC OFFER (IPO) PROCEEDS

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

Board's Report (Contd.)

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

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

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

Mode	Object	Amount Allocated (in Million)	Amount Utilized (in Million) as on 31 st March, 2025
IPO	Repayment/ prepayment, in full or part, of certain borrowings availed by our Company	₹ 880.00	₹ 880.00
	Funding capital expenditure towards upgrading and expanding our existing facilities at Ghaziabad, Uttar Pradesh, and Verna, Goa	₹ 375.89	₹ 351.48
	General corporate purposes	₹ 390.24	₹ 395.63*
	Net Proceeds	₹ 1,646.13	₹ 1627.11

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

CHANGE IN SHARE CAPITAL

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

Paid-up Equity Share Capital	Amount in Million
At the beginning of the year, i.e. as on 1 st April, 2024	₹ 248.30
At the End of the year, i.e. as on 31 st March, 2025	₹ 248.30

EMPLOYEE STOCK OPTION SCHEME

Elin Electronics Employee Stock option Plan 2024 ('ESOP 2024/' the Plan') was approved by the shareholders at the 42nd Annual General Meeting of the Company held on 30th September, 2024 for issue and allotment of options exercisable into not more than 5,00,000 equity shares to eligible employees of the Company.

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

During the financial year under review, 2,50,000 options were granted. The disclosure as required under Section 62(1)(b) of the Companies Act, 2013 ('The Act') read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available at the website of the Company at www.elinindia.com.

QUALITY CERTIFICATION

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

RISK MANAGEMENT

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

The Risk Management Committee of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and ensuring that the risk are brought within acceptable limits. There is no major risk which may threaten the existence of the Company.

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

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

INTERNAL FINANCIAL CONTROLS

According to Section 134(5)(e) of the Companies Act, 2013 ('the Act') the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business,

Board's Report (Contd.)

including adherence to company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The Act also mandate the need for an effective Internal Financial Control system in the Company which should be adequate and shall operate effectively. Rule 8(5)(viii) of Companies(Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report.

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

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

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

'Elin Appliances Private Limited' is the wholly owned subsidiary of your Company. There has been no change in the nature of business of this subsidiary. During the year under review 'Elin Appliances Private Limited' was also the material subsidiary of the Company, as per the Listing Regulations.

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

The said policy is available on the website of the Company at <https://www.elinindia.com/pdf/investors/policies/Policy-on-Material-Subsidiaries.pdf>. No Company has become/ceased to be an Associate or Joint Venture during F.Y. 2024-25.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE

Your Company embeds sound Corporate Governance practices and constantly strives to adopt emerging best practices. It has always been the Company's endeavor to excel through better Corporate Governance and fair and transparent practices. A Report on Corporate Governance forms part of this Report. M/s. Akshat Garg & Associates, Company Secretaries, (Firm Registration number. 10655), the Secretarial Auditor of the Company during the Financial Year 2024-25 vide their certificate dated 26th May, 2025, have confirmed that the Company is and has been compliant with the conditions stipulated in the chapter IV of the Listing Regulations. The said certificate is also forms part of Corporate Governance Report

BUSINESS RESPONSIBILITY REPORT (BRR)

The Business Responsibility Report on environment ,social and governance disclosure as stipulated under Regulation 34(2)(f) of Listing Regulations is not applicable during financial year 2024-25.

STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS

The audited financial statements of the Company are drawn up, both on standalone and consolidated basis, for the financial year ended 31st March, 2025, in accordance with the requirements of the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) notified under Section 133 of the Act, read with relevant Rules and other accounting principles. The Consolidated Financial Statement has been prepared based on the financial statements received from subsidiary as approved by their respective Board of Directors.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

Board's Report (Contd.)

PUBLIC DEPOSITS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors:

The Shareholders by way of Special Resolution passed on 11th August, 2024 have approved the re-appointment of Ms. Shilpa Baid (DIN: 08538622) as an Independent Director for a second term of 5 consecutive years w.e.f. 16th August, 2024 to 15th August, 2029.

The Shareholders also by way of Special Resolution passed on 11th August, 2024 have also approved re-appointment and fixation of remuneration of Mr. Mangilall Sethia (DIN:00081367) as Chairman and Whole-time Director for period of 3 years w.e.f. 1st October, 2024 to 30th September, 2027.

Further, the shareholders by way of Special Resolution passed on 4th May, 2025 have approved the appointment of Ms. Priyanka Jain (DIN:00618931) as an Independent Director for a first term of 5 consecutive years w.e.f. 8th February, 2025 to 7th February, 2030.

Ms. Priyanka Jain (DIN:00618931) is also serving as an Independent Director on the Board of Elin Appliances Pvt Ltd (Material Subsidiary) in terms of provisions of Regulation 24(1) of the Listing Regulations.

Mr. Kamal Singh Baid (DIN:07149567) Non-Executive Independent Director of the Company has completed his second and final term of five (5) consecutive years on 29th March, 2025. Consequently, he cease to be the Director of the company and its material subsidiary and Member of the respective committees of the Board with effect from 30th March, 2025.

The Board of Directors and Management of the Company expressed deep appreciation and gratitude for the invaluable contributions, guidance and services rendered by Mr. Kamal Singh Baid (DIN:07149567) during his tenure as a Non-Executive and Independent Director of the Company.

Mr. Sumit Sethia (DIN: 00831799), Whole-time Director whose current term is expiring on 2nd June, 2025 was reappointed upon the recommendation of Nomination and Remuneration Committee, Audit Committee and Board of Directors in their respective meetings held on 26th May, 2025 subject to Shareholders approval for a period of 5 years w.e.f. 3rd June, 2025 to 2nd June, 2030.

Mr. Kamal Sethia (DIN: 00081116), Managing Director and Mr. Sanjeev Sethia (DIN:00354700), Whole-time Director whose current term are expiring on 31st March, 2026 was reappointed upon the recommendation of Nomination and Remuneration Committee, Audit Committee and Board of Directors in their respective meetings held on 26th May, 2025 subject to Shareholders approval for a period of 5 years w.e.f. 1st April, 2026 to 31st March, 2031.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Sanjeev Sethia (DIN: 00354700), Whole-time Director and Mr. Sumit Sethia (DIN: 00831799), Whole-time Director of the Company, are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee ("NRC") have recommended their re-appointment for approval of shareholders in the ensuing Annual General Meeting.

The Company has received declarations from the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. They have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. Ms. Shilpa Baid and Ms. Priyanka Jain, the Independent Directors of the Company has passed an online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs in February, 2022 and April, 2022 respectively. Mr. Ashis Chandra Guha, Independent Director of the Company has also passed an online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs in October, 2023.

The Board confirms that independent director appointed during the year possess the desired integrity, expertise and experience. The Independent Directors of the Company stated that they are in compliance with the Section 150 of the Companies Act, 2013 read with Rule 6 (1) & (2) of the Companies (Appointment & Qualification of Directors) Rules, 2014.

In the opinion of Board, Independent Directors fulfil the conditions specified in the Companies Act, 2013 read with schedules and rules thereto as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Independent Directors are independent of management.

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

Board's Report (Contd.)

reimbursement of expenses, if any.

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

Key Managerial Personnel:

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

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

BOARD EVALUATION

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

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

MEETINGS OF INDEPENDENT DIRECTORS

As per Schedule IV of the Act, Secretarial Standards-1 ('SS- 1') read with the Guidance Note on SS-1 and Listing Regulations the meeting of the Independent Directors was held on 8th February, 2025.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts for the year ended 31st March, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the profits of the Company for the year ended on that date;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MEETINGS OF THE BOARD

During the Financial year Six meetings of the Board were held on 16th April, 2024, 30th May, 2024, 5th July, 2024, 6th August, 2024, 12th November, 2024 and 8th February, 2025. One Resolution by Circulation has been passed by Board of Directors on 31st March, 2025.

The necessary quorum was present at all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by

Board's Report (Contd.)

the Act. A detailed update on the Board & its Committees, composition thereof, number of meetings held during the F.Y. 2024-25 and attendance of the Directors at such meetings are provided in the "Corporate Governance Report".

REMUNERATION OF DIRECTORS AND EMPLOYEES

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

BOARD COMMITTEES

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

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

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

AUDIT COMMITTEE

The Audit Committee comprises of Ms. Priyanka Jain Independent Woman Director as a Chairperson*. Ms. Shilpa Baid, Independent Woman Director as member, Dr. Shanti Lal Sarnot, Independent Director as member and Mr. Kamal Sethia, Managing Director as its member. The Committee met 5 (Five) times during the year under review on 21st May, 2024, 30th May, 2024, 6th August, 2024, 12th November, 2024 and 8th February, 2025.

* Designated as Chairperson w.e.f. 31st March, 2025.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) comprises of Ms. Priyanka Jain Independent Woman Director as a Chairperson*, Ms. Shilpa Baid, Independent Woman Director as member and Dr. Shanti Lal Sarnot, Independent Director as member. Three meetings of the Nomination and Remuneration Committee (NRC) were held during the year dated on 30th May, 2024, 6th August, 2024, and 8th February, 2025.

* Designated as Chairperson w.e.f. 31st March, 2025.

The Nomination & Remuneration Policy of the Company is in place and attached as Annexure-III and also uploaded

on the website of the Company at the following link: <https://www.elinindia.com/pdf/investors/policies/Nomination-Remuneration-Policy.pdf>

STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of Ms. Priyanka Jain Independent Woman Director as a Chairperson*, Ms. Shilpa Baid, Independent Woman Director as member and Mr. Kamal Sethia, Managing Director as member. Three meetings of the Stakeholder's Relationship Committee (SRC) were held during the year dated on 30th May, 2024, 6th August, 2024 and 8th February, 2025.

* Designated as Chairperson w.e.f. 31st March, 2025.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprises of Mr. Kamal Sethia, Managing Director as Chairman, Mr. Sanjeev Sethia, Whole-Time Director as Member and Ms. Priyanka Jain, Independent Woman Director as Member*. Two meetings of the Risk Management Committee (RMC) were held during the year dated on 8th February, 2025 and 29th March, 2025.

* Appointed as member w.e.f. 8th February, 2025.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) committee comprises of Mr. Kamal Sethia, Managing Director as Chairman, Mr. Sanjeev Sethia, Whole-time Director as member and Ms. Priyanka Jain, Independent Woman Director as Member*. Three meetings of the CSR committee were held during the year on 30th May, 2024, 6th August, 2024, and 8th February, 2025.

* Appointed as member w.e.f. 8th February, 2025.

The CSR activities and programs undertaken by your Company are in accordance with the provisions of Section 135 of the Act and rules made thereunder. The CSR initiatives of the Company during the year under review focused on promoting education, promoting health care including preventive health care and ensuring environmental sustainability. The annual report on CSR activities is annexed and forms part of this report as Annexure-IV. The CSR policy is available on the website of your Company at <https://www.elinindia.com/pdf/investors/csr/CSR-Policy.pdf>

Further, the Chief Financial Officer of your Company has certified that the CSR spends of your Company for the FY 2024-25 have been utilized for the purpose and in the manner approved by the Board of Directors of the Company.

Board's Report (Contd.)

STATUTORY AUDITORS & AUDITOR'S REPORT

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

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

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

The Auditor's Reports on the Standalone and the Consolidated Financial Statements for the financial year ended 31st March, 2025 does not contain any qualification, reservation or adverse remark requiring any explanations/ comments by the Board of Directors. No fraud has been reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

COST AUDITORS

The Board upon the recommendation of Audit Committee, has re-appointed M/s Bhavna Jaiswal & Associates, Cost Accountants (Firm Registration number 100608), as Cost Auditors for conducting the audit of cost records of the Company for the financial year 2025-26. A proposal for ratification of remuneration of the Cost Auditors for the financial year 2025-26 is placed before the shareholders at the ensuing AGM of the Company.

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

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

In terms of the provisions of Section 204 of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014, your Company has appointed M/s Akshat Garg & Associates, Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year 2024-25.

Further, in compliance of Regulation 24A of the Listing Regulations, Company's unlisted material subsidiary

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

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

Further, pursuant to the provisions of amended Regulation 24A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and basis the recommendation of the Audit Committee, the Board of Directors of your Company appointed M/s P. P. Agarwal & Co., (Firm Registration No. S2012DE174200), Company Secretaries as Secretarial Auditors of the Company for a term of five (5) consecutive financial years (FY) commencing from 2025-26 to 2029-30, subject to the approval of Members in ensuing Annual General Meeting. M/s P.P. Agarwal & Co., Company Secretaries have provided their consent to be appointed as Secretarial Auditors of the Company for a term of five (5) consecutive Financial Years (FY) commencing from 2025-26 to 2029-30 and also confirmed that they are not disqualified to be appointed as Secretarial Auditors of the Company. They have also confirmed that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India (ICSI) and hold a valid certificate issued by the Peer Review Board of the ICSI. The appropriate resolution seeking approval of the Members of the Company for the appointment of M/s P.P. Agarwal & Co., (Firm Registration No. S2012DE174200) as Secretarial Auditors of the Company is being placed in the Notice of 43rd Annual General Meeting.

INTERNAL AUDITORS

The Board at its meeting held on 26th May, 2025 upon the recommendation of Audit committee have approved re-appointment of M/ s. Oswal Sunil & Company, Chartered Accountants (Firm Registration No: 016520N) as Internal Auditors of the Company for the Financial Year 2025-26.

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

- (a) the Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) has been furnished;
- (b) the Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) has been furnished;

Board's Report (Contd.)

and

- (c) the disclosure as mandated under Section 62(1) (b) of the Companies Act, 2013 ('The Act') read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time ('SEBI ESOP Regulations') is available on website of the Company at www.elinindia.com.

ANNUAL RETURN

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

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

KEY FINANCIAL RATIOS

The Key financial ratios for the financial year ended 31st March, 2025 forms part of the Management Discussion and Analysis Report.

INVESTOR EDUCATION AND PROTECTION FUND

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

TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on dealing with Related Party Transactions. An omnibus approval from the Audit Committee is obtained for the related party transactions which are foreseen and repetitive in nature. All contracts/arrangements/ transactions entered into by the Company during the year under review with Related Parties were in the ordinary course of business and on arm's length basis. During the year under review, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on related party transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. The Company's Policy on Related Party Transactions is available on the website of the Company at

<https://www.elinindia.com/pdf/investors/policies/Related-Party-Transaction-Policy-ELIN-Electronics.pdf>. The Company in terms of Regulation 23 of the Listing Regulations submits on the date of publication of its standalone and consolidated financial results for the half year disclosures of related party transactions on a consolidated basis, in the specified format to the stock exchanges where the shares of the company are listed.

VIGIL MECHANISM

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

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

There were no significant material orders passed by the Regulators/ Courts/ Tribunals during the Financial Year 2024-25 which would impact the going concern status of the Company and its future operations.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rules thereto. The Company has undertaken 6 workshops or awareness programs against sexual harassment of women at the workplace during the Financial Year 2024-25. During the year under review, no complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

COMPLIANCE WITH SECRETARIAL STANDARDS

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

OTHER DISCLOSURES

- No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable;
- The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while

Board's Report (Contd.)

taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable;

- (c) There was no revision of financial statements and Board's Report of the Company during the year under review;
- (d) The disclosure pertaining to explanation for any deviation or variation in connection with certain terms of a public issue, rights issue, preferential issue, etc. is not applicable to the Company.

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

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

A. CONSERVATION OF ENERGY:

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

- (i) The steps taken/impact on conservation of energy –
 - (a) NIL
- (ii) The steps taken by the Company for utilizing Alternate Sources of Energy-

Capacity of 500-550 KWp Solar Power Plant installation on company rooftops.
- (iii) The capital investment on energy conservation equipment: Nil

B. TECHNOLOGY ABSORPTION:

- (i) the efforts made towards technology absorption

- Nil
- (ii) the benefits derived like product improvement, cost reduction, product development or import

substitution - Self-reliance in new products, product development, improved production process for better productivity, import substitution and cost reduction attempts are made for sourcing of material and components for cost effectiveness. The input cost has been reduced and in some cases the quality has improved.

- (iii) Imported Technology (Imported During The Last 3 Years) – Nil
- (iv) Expenditure on Research and Development- During the financial year, expenditure on research and development including capital expenditure was ₹ 96.0 Million as against ₹ 83.70 Million in the previous year.

C. FOREIGN EXCHANGE EARNING & OUTGO:

During the financial year, the foreign exchange earned in terms of actual inflows was ₹ 39.92 Million as against ₹ 37.32 Million in the previous year and foreign exchange outgo in terms of actual outflows was ₹ 929.40 Million as against ₹ 701.74 Million in the previous year.

ACKNOWLEDGEMENT

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

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

On behalf of the Board of Directors

(Mangilall Sethia)
Chairman
DIN: 00081367

Place: New Delhi
Date: 26th May, 2025

DIVIDEND DISTRIBUTION POLICY

Introduction and Background

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

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

Interim and Final Dividend

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

Dividend Payout

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

- Current year profits and outlook in line with internal and external environment.
- Operating cash flows
- Funding growth needs including working capital, capital expenditure, repayment of debt, etc. Dividend payout trends

- Tax implications if any, on distribution of dividends.
- Providing for unforeseen events and contingencies with financial implications.
- Any other relevant factor that the Board may deem fit to consider

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

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

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

Disclosure

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

Disclaimer

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

- I. Disclosure pursuant to the provisions of Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:
- A. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during F.Y. 2024-25, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for F.Y. 2024-25 are as under:

Sl. No.	Name of the Director / KMP and Designation	% increase in Remuneration in 2024-25	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. MANGI LALL SETHIA (Chairman & Whole-time Director)	NIL	15
2	Mr. KAMAL SETHIA (Managing Director)	NIL	36
3	Mr. SANJEEV SETHIA- (Whole-time Director)	NIL	36
4	Mr. SUMIT SETHIA (Whole-time Director)	NIL	37
5	Dr. SHANTI LAL SARNOT	NIL	0.71
6	Mr. KAMAL SINGH BAID (Ceased w.e.f. 30 th March, 2025)	NIL	1.25
7	Ms. SHILPA BAID	NIL	0.71
8	Mr. ASHIS CHANDRA GUHA	NIL	0.33
9	Ms. PRIYANKA JAIN (Appointed w.e.f. 8 th February, 2025)	Not Applicable	Not Applicable
10	Mr. KISHORE SETHIA (Director Operations)*	NIL	Not Applicable
11	Mr. RAJ KARAN CHHAJER (Chief Financial Officer)	8.70%	Not Applicable
12	Mr. PRAVEEN TANDON (Chief Executive Officer)**	Not Applicable	Not Applicable
13	Ms. LATA RANI PAWA (Company Secretary)	13.33%	Not Applicable

Note: Independent Directors only receive sitting fee for attending Board/ Committee meetings.

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

** Appointed w.e.f. 17th April, 2024

- B. Percentage increase in the median remuneration of employees in the Financial Year:
The average percentage increase in the median remuneration of employees in the Financial Year is 6.18 %.
- C. Number of permanent employees on the rolls of the Company:
There were 2,376 permanent employees on the rolls of Company as on 31st March, 2025.
- D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
Average percentage increase made in the salaries of employees other than managerial personnel in the last financial year i.e. 2024-25 was 8.05% whereas the increase in the managerial remuneration for the same financial year was Nil. There are no exceptional circumstances for increase in managerial remuneration as there was no increase in Managerial Remuneration. It is based on the Remuneration Policy of the Company and also not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013.
- E. Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration is as per the remuneration policy of the Company.

Board's Report (Contd.)

II. STATEMENT PURSUANT TO RULE 5(2) AND RULE 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014, FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2025.

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

S. No.	Name of Employee	Designation	Remuneration (₹ in Million) per annum	Qualification & Experience	Age	Date of Commencement of Employment	Last Employment held
1	Mr. PRAVEEN TANDON	CHIEF EXECUTIVE OFFICER	10.89	B.E.- 29 years	51	17 th April, 2024	Dixon Technologies (India) Ltd.
2	Mr. SUMIT SETHIA	WHOLE-TIME DIRECTOR	9.02	B.com (Pass)- 28 years	52	Since 1998	Not Applicable
3	Mr. KAMAL SETHIA	MANAGING DIRECTOR	8.74	B.com (Pass)- 45 years	67	Since 1992	Partner-L.K.M. Electronic Corporation
4	Mr. SANJEEV SETHIA	WHOLE-TIME DIRECTOR	8.74	BSEE- 31 Years	56	Since 1994	Not Applicable
5	Mr. KISHORE SETHIA	(DIRECTOR OPERATIONS)*	8.74	B.com (Hons)- 45 years	66	Since 1992	Partner-Sumitomo Electronics Corporation
6	Mr. AKASH SETHIA	HEAD-STRATEGY	8.44	C.A. from ICAI- 17 years	38	1 st January, 2023	Macquarie India
7	Mr. MANGI LALL SETHIA	CHAIRMAN & WHOLETIME DIRECTOR	3.64	M.A.- 64 years	87	Since Incorporation- 26 th March, 1982	Director- Kanchan Commercial Company Private Limited
8	Mr. AVINASH KARWA	AGM-FINANCE	3.71	CA-25 years	46	1 st August, 2013	Since 2000 Associated with Elin Electronics Limited-Accountant.
9	Mr. RAJ KARAN CHHAJER	CHIEF FINANCIAL OFFICER	2.78	B.com (Pass)- 50 years	69	26 th March, 1982	Electronic Industries of India
10	Mr. NEERAJ KUMAR MODI	GENERAL MANAGER	2.57	C.A. from ICAI- 25 years	52	1 st September, 2021	Capital Infraprojects Private Limited- CFO

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

Notes:

1. Mr. Mangilall Sethia, Mr. Kamal Sethia and Mr. Kishore Sethia are relatives. Mr. Kamal Sethia holds two percent or more of the equity share of the Company. Mr. Kishore Sethia also along with his spouse and children holds two percent or more of the equity share of the Company.
2. Mr. Sanjeev Sethia, holds two percent or more of the equity share of the Company. Mr. Sumit Sethia also along with his spouse holds two percent or more equity share of the Company.

Board's Report (Contd.)

b) Statement related to employee employed throughout the year and in receipt of remuneration aggregating ₹ 1.02 Crores or more during F.Y 2024-25

S. No.	Name of Employee	Designation	Remuneration (₹ in Million) per annum	Qualification & Experience	Age	Date of Commencement of Employment	Last Employment held
1	Mr. PRAVEEN TANDON	CHIEF EXECUTIVE OFFICER	10.89	B.E. - 29 years	51	17 th April, 2024	Dixon Technologies (India) Ltd.

- c) There was no employee who was employed for a part of the financial year and in receipt of remuneration at a rate which, in the aggregate, was not less than ₹ 8.50 Lakhs per month.
- d) Mr. Praveen Tandon, Chief Executive Officer draw remuneration at a rate in excess of that drawn by the Whole-time Directors in F.Y. 2024-25 and doesn't hold by himself or along with his spouse and dependent children, two percent or more of the equity shares of the Company.
- e) All appointments are contractual in nature and terminate by notice on either side.

NOMINATION & REMUNERATION POLICY

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

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

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

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

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

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

Role and Objective of Committee:

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

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

Membership

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

Board's Report (Contd.)

- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

Chairman

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

Frequency of Meetings

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

Committee Members' Interests:

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

Secretary

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

Voting

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

Appointment of Directors/KMP/Senior Management Officials:

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

- Assessing the appointee against a range of criteria which includes but not limited to qualifications, skills, The experience and knowledge that the appointee brings to the role of KMP/Senior Officials, which, in turn, will enhance the skill sets and experience of the Board as a whole;
- The nature of existing positions held by the appointee including directorship and such other relationship and the impact of the same on the Company's welfare.

Letter of Appointment:

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

Remuneration of Directors, Key Managerial Personnel and Senior Management:

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

1. **Fixed Pay:** The Key Management Personnel (KMP) and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee in accordance with the applicable provisions of the Companies Act, 2013, read with the rules made thereunder & SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable provisions, as amended from time to time. The salary paid need to be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities to be usually reviewed on an annual basis.
2. **Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 & applicable provisions of SEBI (LODR) Regulations, 2015, as amended from time to time.

Board's Report (Contd.)

3. **Provision for excess remuneration:** If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the approval of members by way of Special Resolution, where required, he shall refund such sums to the Company, within two years or such lesser period as may be allowed by the Company, and until such sum is refunded, hold it in trust for the Company.
4. **Increment:** Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board, which should be within the slabs approved by the Shareholders in the case of Managerial Person.
5. **Stock Options:** Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company. Only such employees of the Company and its subsidiaries as approved by the Nomination and Remuneration Committee will be granted ESOPs.
6. The Executive Directors, except for a promoter director, will also be eligible for ESOPs as per the ESOP scheme in force from time to time. Grants under the ESOP scheme shall be approved by the NRC.

Remuneration to Non-Executive/Independent Director:

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

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

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

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

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

- Contributing to clearly defined corporate objectives & plans

- Obtain adequate, relevant & timely information from external sources
- Review of strategic and operational plans, objectives and budgets
- Regular monitoring of corporate results against projections
- Identify, monitor & take steps for mitigation of significant corporate risks
- Assess policies, structures & procedures
- Review management's succession plan
- Effective meetings
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles & monitoring activities of committees.

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

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

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

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

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

- a) The Performance Evaluation of Directors, the Board as a whole, its Committees be carried out on Annual Basis.

Board's Report (Contd.)

- b) The Performance Evaluation be carried out in the manner as enumerated in the Nomination and Remuneration Policy of the Company.
- c) Nomination and Remuneration Committee should carry out the performance evaluation of all Directors, Key Managerial Personnel's and Senior Officers of the Company and report to the Board of Directors for further evaluation.
- d) The Board should carry out the Performance Evaluation of Independent Directors, Board as a whole and its Committees and individual Directors.
- e) Only the Director being evaluated will not participate in evaluation discussions.
- f) Review of implementation and monitoring of the above manner of Performance Evaluation be done as and when required

Deviations from this policy:

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

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY FOR THE F.Y. 2024-25

1. Brief outline on CSR Policy of the Company:

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

2. Composition of CSR Committee:

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

* Ceased w.e.f. 30th March, 2025

** Appointed w.e.f. 8th February, 2025

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

- Composition of CSR committee: https://www.elinindia.com/pdf/investors/Disclosure_under_Regulation46_of_SEBI/Composition_of_various_Committees_of_Board_of_Directors.pdf
- CSR Policy: <https://www.elinindia.com/pdf/investors/csr/CSR-Policy.pdf>
- CSR projects approved by the board: https://www.elinindia.com/pdf/investors/csr/CSR_Projects_and_Annual_Action_plan_of_CSR_for_the_FY_2024_2025.pdf

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

- Average net profit of the Company as per section 135(5): ₹ 318.755234 Millions
 - Two percent of average net profit of the Company as per section 135(5): ₹ 6.38 Millions
 - Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil
 - Amount required to be set off for the financial year, if any: Nil
 - Total CSR obligation for the financial year (b+c- d): ₹ 6.38 Millions
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 6.45 Millions
 - Amount spent in Administrative Overheads: NIL
 - Amount spent on Impact Assessment, if applicable: NA
 - Total amount spent for the Financial Year (a+b+c): ₹ 6.45 Millions

Board's Report (Contd.)

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 6.45 Millions	Not Applicable				

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

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹ 6.38 Millions
(ii)	Total amount spent for the Financial Year	₹ 6.45 Millions
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	₹ 0.07 Millions
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

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

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

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

Sd/-

Kamal Sethia

(Managing Director & Chairman CSR Committee)

DIN:00081116

Sd/-

Mangilal Sethia

(Whole-Time Director)

DIN:00081367

Date: 26th May, 2025

Place: New Delhi

AKSHAT GARG & ASSOCIATES

Secretarial, Legal & Corporate Advisory Services
Peer Reviewed Firm

Office No. 365, 3rd Floor, Rishabh Cloud9 Towers, Sector 1, Vaishali, Ghaziabad, U.P. - 201010

Email ID: acs@acsadvisors.in; Phone: 0120-4573083; +91-9350546594

UDYAM Registration No.: UDYAM-UP-29-0050415

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended 31.03.2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9
of the Companies (Appointment and Remuneration Personnel) Rules, 2014
and Regulation 24A of SEBI (LODR) Regulations, 2015]

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (b) The Securities and Exchange Board of India (Depositories and participants) Regulations, 2018;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);

Board's Report (Contd.)

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**;
- (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (k) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the Audit Period)**;

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

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

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

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors of the Company during the year 2024-25 except the following:

The Board of Directors at its meeting held on 8th February, 2025 upon the recommendation of the Nomination and Remuneration Committee have approved the appointment of Ms. Priyanka Jain (DIN: 00618931) as an Additional Director in the Category of Non-Executive Independent Director for a term of 5 (five) consecutive years with effect from 8th February, 2025 till 7th February, 2030, subject to the approval of the shareholders to be obtained within the applicable timelines through Postal Ballot.

Further, the Shareholders of the Company have approved the appointment of Ms. Priyanka Jain (DIN: 00618931) as an Independent Director for a first term of 5 (five) consecutive years commencing from 8th February, 2025 to 7th February, 2030 by passing Special Resolution on 4th May, 2025.

Mr. Kamal Singh Baid (DIN:07149567), Non-Executive Independent Director of the Company has completed his second and final term of five (5) consecutive years on 29th March, 2025. Consequently, he ceased to be the Director of the Company and Member of the respective committees of the Board with effect from 30th March, 2025.

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

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

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

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

Elin Electronics Employee Stock option Plan 2024 ('ESOP 2024'/' the Plan') was approved by the Board of Directors and Shareholders of the Company on 30th May, 2024 and 30th September, 2024 respectively for issue and allotment of options exercisable into not more than 5,00,000 equity shares to eligible employees of the Company. ESOP 2024 is administered by the Nomination and Remuneration Committee (Compensation committee) of the Board of Directors of the Company.

For Akshat Garg & Associates
(Company Secretaries)

(CS Akshat Garg)
Prop.

C. P. No. 10655

M. No. F9161

UDIN: F009161G000445652

Date: 26th May, 2025

Place: Ghaziabad

AKSHAT GARG & ASSOCIATES

Secretarial, Legal & Corporate Advisory Services
Peer Reviewed Firm

Office No. 365, 3rd Floor, Rishabh Cloud9 Towers, Sector 1, Vaishali, Ghaziabad, U.P. - 201010

Email ID: acs@acsadvisors.in; Phone: 0120-4573083; +91-9350546594

UDYAM Registration No.: UDYAM-UP-29-0050415

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended 31.03.2025

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

To,

The Members,

Elin Appliances Private Limited

CIN: U29300DL2002PTC425099

4771, Bharat Ram Road, 23, Daryaganj,

New Delhi - 110002

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the Audit Period);**

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period);**
 - (b) The Securities and Exchange Board of India (Depositories and participants) Regulations, 2018;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit Period);

Board's Report (Contd.)

- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the Audit Period)**;
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**;
- (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (k) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the Audit Period)**;

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

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

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

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

I further report that

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Director and Independent Director. There were following changes in the composition of the Board of Directors of the Company during the year 2024-25:

- (a) The Board of Directors at their meeting held on 8th February, 2025 had appointed Ms. Priyanka Jain (DIN: 00618931) as an Additional Director (Non-Executive & independent) on the Board of

the Company to hold office for a first term of five consecutive years with effect from 8th February, 2025 subject to the approval of the members in the ensuing Annual General Meeting.

- (b) Mr. Kamal Singh Baid (DIN:07149567), Non-Executive Independent Director of the Company had completed his second and final term of five (5) consecutive years on 29th March, 2025 with Elin Electronics Limited (Holding company). Consequently, he ceased to be the Director of the Company and Elin Electronics Limited (Holding company) from 30th March, 2025.

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

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

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

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

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

Prop.

C. P. No. 10655

M. No. F9161

UDIN: F009161G000445586

Date: 26th May, 2025

Place: Ghaziabad

Report on Corporate Governance

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

2. BOARD OF DIRECTORS

The Board is in conformity with Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Companies Act, 2013 ('the Act'). The strength of the Board of Directors as on 31st March, 2025 was eight comprising the Executive - Chairman, three Executive Directors including one Managing Director and other four are Independent Directors. In the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of management. The profile of Directors can be found at website of the Company at www.elinindia.com.

The Composition and categories of the Directors on the Board, their attendance at Board meetings and at the last Annual General Meeting ('AGM') held during the F.Y. 2024-25:

None of the Directors of the Company is a Member of more than 10 (Ten) Committees or a Chairman/ Chairperson of more than 5 (Five) committees across all the Listed Companies in which he/she is a Director as per Regulation 26(1) of the Listing Regulations. Further as mandated by Regulation 17A of Listing Regulations, no Director of the Company serves as Director/Independent Director in more than seven listed companies and in case he/she is serving as a Whole-Time Director/ Managing Director in any listed company, does not hold the position of Independent Director in more than three listed companies. Further, all Directors have informed about their Directorships and Committee memberships/ chairmanships including any changes in their positions. Relevant details of the Board of Directors as on 31st March, 2025 are given below:

Name	Category	No. of Board Meetings held and attended during the F.Y. 2024-25			Whether attended last AGM held on 30 th September, 2024
		Hold	Entitled	Attended	
Mr. Mangi Lal Sethia	Chairman, Promoter Executive	6	6	6	Yes
Mr. Kamal Sethia	Managing Director – Promoter Executive	6	6	6	Yes
Mr. Sanjeev Sethia	Whole time Director - Promoter Executive	6	6	6	Yes
Mr. Sumit Sethia	Whole time Director - Promoter Executive	6	6	4	Yes
Dr. Shanti Lal Sarnot	Independent Director	6	6	5	Yes
Mr. Kamal Singh Baid (Ceased w.e.f. 30 th March, 2025)	Independent Director	6	6	6	Yes
Ms. Shilpa Baid	Independent Woman Director	6	6	4	Yes
Mr. Ashis Chandra Guha	Independent Director	6	6	3	Yes
Ms. Priyanka Jain (Appointed w.e.f. 8 th February, 2025)	Independent Woman Director	6	0	0	N.A.

Report on Corporate Governance (Contd.)

Details of Board Meeting

Six meetings of the Board of Directors were held during the year on 16th April, 2024, 30th May, 2024, 5th July, 2024, 6th August, 2024, 12th November, 2024 and 8th February, 2025.

The relation of Directors inter-se with each other, names of other Indian listed entities where Directors of the Company hold directorship, its category and the number of directorships and committee Chairmanships/ Memberships held by them in other public limited companies as on 31st March, 2025, is given below:

Name of Director	Relation with other Directors	Directorship held in other Listed entities along with Category*	No. of Directorships in other Indian Public Limited Companies (As on 31 st March, 2025)*	Membership and Chairmanship of the Committees of the Board of other Companies**		No. of Equity Shares held (As on 31 st March, 2025)
				Chairman/ Chairperson	Member	
Mr. Mangi Lal Sethia	Father of Mr. Kamal Sethia	-	-	-	-	Nil
Mr. Kamal Sethia	Son of Mr. Mangilall Sethia	-	-	-	-	45,76,700
Mr. Sanjeev Sethia	-	-	-	-	-	10,41,500
Mr. Sumit Sethia	-	-	-	-	-	6,55,804
Dr. Shanti Lal Sarnot	-	-	-	-	-	Nil
Mr. Kamal Singh Baid (Ceased w.e.f. 30.03.2025)	-	-	-	-	-	Nil
Ms. Shilpa Baid	-	-	-	-	-	Nil
Mr. Ashis Chandra Guha	-	-	-	-	-	Nil
Ms. Priyanka Jain (Appointed w.e.f. 08.02.2025)	-	-	-	-	-	Nil

* No Director of your Company holds any Directorship in Listed and Public Limited Companies.

**No Director of your Company holds any membership and Chairmanship of Audit Committee and Stakeholders Relationship Committee of other Public Limited Companies.

List of Core Skills/Expertise/Competencies of Directors

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

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

Report on Corporate Governance (Contd.)

S. no	Name of Directors	Skills/Expertise/Competence					
		Industry Knowledge & Business Experience	Finance & Accounting	Board service, governance and Leadership	Production & Quality Assurance and Sales and marketing	Strategy Development and Implementation	Information Technology & Policy Development
8	Mr. Ashis Chandra Guha	✓	✓	✓	✓	✓	✓
9	Ms. Priyanka Jain (Appointed w.e.f 8 th February, 2025)	✓	✓	✓	✓	✓	✓

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during the financial year ended 31st March, 2025 except for payment of sitting fees, and reimbursement of expenses, if any, incurred in the discharge of their duties.

Independent Directors

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

Separate Meeting of Independent Directors

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

The Independent Directors Meeting was held on 8th February, 2025. The Independent Directors, inter alia, discussed and reviewed performance of Non-Independent Directors, the Board as a whole, Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programme for Independent Directors

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

The details of familiarization programmes imparted to Independent Directors are also disclosed on the Company's website at: elinindia.com/pdf/investors/management/Familiarization_programme_imparted_to_Independent_Directors_for_FY_2024_2025.pdf

Performance Evaluation Criteria of Independent Directors

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

Directors and Officers Insurance

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

Report on Corporate Governance (Contd.)

3. COMPOSITION OF THE COMMITTEES

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

Audit Committee	Risk Management Committee
1. Mr. Kamal Singh Baid – Chairman*	1. Mr. Kamal Sethia - Chairman
2. Ms. Shilpa Baid – Member	2. Mr. Sanjeev Sethia- Member
3. Mr. Kamal Sethia – Member	3. Mr. Kamal Singh Baid- Member*
4. Dr. Shanti Lal Sarnot – Member	4. Ms. Priyanka Jain- Member [#]
5. Ms. Priyanka Jain – Chairperson**	
Nomination and Remuneration Committee	Corporate Social Responsibility Committee
1. Mr. Kamal Singh Baid – Chairman*	1. Mr. Kamal Sethia – Chairman
2. Ms. Shilpa Baid – Member	2. Mr. Kamal Singh Baid – Member*
3. Dr. Shanti Lal Sarnot – Member	3. Mr. Sanjeev Sethia – Member
4. Ms. Priyanka Jain – Chairperson**	4. Ms. Priyanka Jain- Member [#]
Stakeholders' Relationship Committee	
1. Mr. Kamal Singh Baid – Chairman*	
2. Ms. Shilpa Baid – Member	
3. Mr. Kamal Sethia – Member	
4. Ms. Priyanka Jain – Chairperson**	

[#] Appointed w.e.f. 8th February, 2025

* Ceased w.e.f. 30th March, 2025

** Designated w.e.f. 31st March, 2025

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

Meetings of Committees held during the year and Directors' attendance

Committees of the Company	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee	Corporate Social Responsibility Committee
Meetings Held	5	3	3	2	3
Director's Attendance					
Mr. Mangi Lal Sethia	*	*	*	*	*
Mr. Kamal Sethia	4/ 5	*	3 / 3	2/2	3/3
Mr. Sanjeev Sethia	*	*	*	2/2	3/3
Mr. Sumit Sethia	*	*	*	*	*
Dr. Shanti Lal Sarnot	3 / 5	2 / 3	*	*	*
Mr. Kamal Singh Baid (Ceased w.e.f. 30.03.2025)	5 / 5	3/3	3 / 3	2/2	3/ 3
Ms. Shilpa Baid	3 / 5	2 / 3	2/ 3	*	*
Mr. Ashis Chandra Guha	*	*	*	*	*
Ms. Priyanka Jain (Appointed w.e.f. 08.02.2025)	-	-	-	-	-

*Not a Member of the Committee.

Report on Corporate Governance (Contd.)

DETAILS OF COMMITTEES

Audit Committee

Terms of Reference for the Audit Committee:

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

(i) Powers of Audit Committee

The Audit Committee shall have powers, including the following:

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

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

- (1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) formulation of a policy on related party transactions, which shall include materiality of related party transactions;
- (5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (6) examining and reviewing, with the management, the annual financial statements

and auditor's report thereon before submission to the Board for approval, with particular reference to:

- a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
- (7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
 - (8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - (9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - (10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related

Report on Corporate Governance (Contd.)

party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed:

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Act.

- (11) scrutiny of inter-corporate loans and investments;
- (12) valuation of undertakings or assets of the Company, wherever it is necessary;
- (13) evaluation of internal financial controls and risk management systems;
- (14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (15) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (16) discussion with internal auditors of any significant findings and follow up thereon;
- (17) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (18) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (20) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (21) reviewing the functioning of the whistle blower mechanism;
- (22) monitoring the end use of funds raised through public offers and related matters;
- (23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (24) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (25) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
- (26) carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- (27) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders and
- (28) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

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

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

Report on Corporate Governance (Contd.)

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

Details of Audit Committee Meeting

The Committee met 5 (Five) times during the year under review on 21st May, 2024, 30th May, 2024, 06th August, 2024, 12th November, 2024 and 08th February, 2025. The requisite quorum was present at all the meetings of the Audit Committee.

Vigil Mechanism/Whistle-Blower Policy

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

Nomination and Remuneration Committee

Terms of Reference

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

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "Board" or "Board of Directors") a policy relating to the

remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy").

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

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
- (2) Formulation of criteria for evaluation of independent directors and the Board;
 - (3) Devising a policy on Board diversity;
 - (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
 - (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 - (6) Recommend to the board, all remuneration, in whatever form, payable to senior management;
 - (7) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.
 - (8) Analysing, monitoring and reviewing various human resource and compensation matters;

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- (9) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (10) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (11) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
- (12) Administering, monitoring and formulating detailed terms and conditions of the employee stock option scheme, if any, of the Company;
- (13) Reviewing and approving the Company's compensation strategy from time to time in the context of the current Indian market in accordance with applicable laws;
- (14) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;
- (15) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable; and
- (16) Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.
- (17) For every appointment of an independent director, the Nomination and Remuneration Committee

shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- (a) use the services of an external agencies, if required;
- (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
- (c) consider the time commitments of the candidates.

Details of Nomination and Remuneration Committee Meeting

The Committee met 3 (Three) times during the year under review on 30th May, 2024, 06th August, 2024 and 08th February, 2025 as against the statutory requirement of one meeting and the attendance is given in this report. The requisite quorum was present at all the meetings of the Committee.

Stakeholders' Relationship Committee

Terms of Reference

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178(5) of the Act, and Regulation 20 read with schedule II (Part D) of the Listing Regulations and its terms of reference are as follows:

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

- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

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

Details of Stakeholders' Relationship Committee Meeting

The Committee met 3 (Three) times during the year under review on 30th May, 2024, 6th August, 2024 and 08th February, 2025 as against the statutory requirement of one meeting and the attendance is given in this report. The requisite quorum was present at all the meetings of the Committee. The Company has received 2 complaints during the Financial Year 2024-2025. All complaints has been resolved to the satisfaction of shareholders and no pending complaint as on 31st March, 2025.

Risk Management Committee

Terms of Reference

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

1. To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability

(particularly, environmental social and governance related risks), information, cyber security risks or any other risk as may be determined by the Committee.

- (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
 3. To co-ordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per framework laid down by the board of directors;
 4. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
 5. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 6. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken
 7. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee

Details of Risk Management Committee Meeting

The Committee met 2 (Two) times during the year under review on 08th February, 2025 and 29th March, 2025 and the attendance is given in this report. The requisite quorum was present at all the meetings of the Committee.

Corporate Social Responsibility Committee

Terms of Reference

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

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

Details of Corporate Social Responsibility Committee Meeting

The Committee met 3 (Three) times during the year under review on 30th May, 2024, 06th August, 2024 and 08th February, 2025 and the requisite quorum was present at all the meetings. The details of attendance of Committee members are given in this Report.

4 REMUNERATION OF DIRECTORS**Remuneration Policy**

In terms of Section 178 of the Act and Regulation 19 read with schedule II (Part D) of the Listing Regulations, the Board of your Company, on recommendation of the Nomination and Remuneration Committee ("NRC"), adopted Remuneration policy for Directors, Key Managerial Personnel and other Employees which sets out criteria for the remuneration for Directors, Key Managerial Personal ('KMP') and other employees

so as to attract, retain and reward talent who will contribute to our long-term success and thereby build value for the shareholders.

Remuneration of Directors:

- Executive Directors shall be eligible for remuneration as may be approved by the Board on recommendation of the NRC Committee. The remuneration to be paid to the Managing Director/ Whole-time Director shall be in accordance with the provisions of the Act and the rules made thereunder.
- Non-Executive/Independent Directors will be eligible for sitting fees for attending meetings of Board or Committee as fixed by the Board on the recommendation of the NRC Committee in accordance with the provisions of the Act, and the rules made thereunder. The criteria of making payment to Non-Executive/Independent Directors is uploaded on the website of the Company at the following weblink: https://www.elinindia.com/pdf/investors/Disclosure_under_Regulation46_of_SEBI/Criteria_for_making_payment.pdf. The Remuneration Policy of the Company has been uploaded on the Company's website and can be accessed at <https://www.elinindia.com/pdf/investors/policies/Nomination-Remuneration-Policy.pdf>

Remuneration/Sitting fee paid to the Directors for the financial year ended 31st March, 2025.

(₹ in Million)								
Sr . No.	Name of the Director	Salary	Benefits	Commission	Bonuses	Stock Option & Pension	Sitting Fees Paid	Total
1	Mr. Mangi Lal Sethia	3.60	0.04	-	-	-	-	3.64
2	Mr. Kamal Sethia	8.70	0.04	-	-	-	-	8.74
3	Mr. Sanjeev Sethia	8.70	0.04	-	-	-	-	8.74
4	Mr. Sumit Sethia	9.00	0.02	-	-	-	-	9.02
5	Dr. Shanti Lal Sarnot	-	-	-	-	-	0.17	0.17
6	Mr. Kamal Singh Baid	-	-	-	-	-	0.30	0.30
7	Ms. Shilpa Baid	-	-	-	-	-	0.17	0.17
8	Mr. Ashis Chandra Guha	-	-	-	-	-	0.08	0.08
9	Ms. Priyanka Jain	-	-	-	-	-	-	-

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

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

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5. GENERAL BODY MEETING

Previous 3 (Three) Annual General Meetings

Year	Time	Date	Location	Special Resolutions Passed
2023-2024	10:30 A.M.	30 th September, 2024	AGM held through Video conferencing (VC) and/or other audiovisual means (OAVM), without physical presence of members. The venue of the AGM was deemed to be the Registered Office of the Company at 4771, Bharat Ram Road, 23, Daryaganj, Delhi-110002	Yes
2022-2023	10:30 A.M.	30 th September, 2023	AGM held through Video conferencing (VC) and/or other audiovisual means (OAVM), without physical presence of members. The venue of the AGM was deemed to be the Registered Office of the Company at 143, Cotton Street, Kolkata-700007	Yes
2021-2022	10:00 A.M.	1 st August, 2022	Diamond Heritage", Room No. N 505, 16, Strand Road, Kolkata - 700 001	Yes

No Extra-ordinary General Meeting took place during the F.Y. 2024-25.

5A. POSTAL BALLOT

During the F.Y. 2024-25, pursuant to the provisions of Sections 108 & 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") your Company passed the following Special Resolutions through postal ballot via remote e-voting facility:

A. Special Resolution(s) passed on 11th August, 2024:

1. Re-appointment of Ms. Shilpa Baid (DIN: 08538622) as an Independent Director for a second term of 5 consecutive years commencing from 16th August, 2024 to 15th August, 2029 by way of Special Resolution.
2. Re-appointment and fixation of remuneration of Mr. Mangilall Sethia (DIN: 00081367), Chairman and Whole-time Director of the Company, liable to retire by rotation, for a period of three years w.e.f. 1st October, 2024 to 30th September, 2027 by way of Special Resolution.
3. Approval of Remuneration of Mr. Kamal Sethia (DIN: 00081116), Managing Director of the Company, liable to retire by rotation, for the remaining period of his present tenure w.e.f. 1st April, 2024 to 31st March, 2026 by way of Special Resolution.
4. Approval of Remuneration of Mr. Sanjeev Sethia (DIN: 00354700), Whole-time Director of the Company, liable to retire by rotation, for the remaining period of his present tenure w.e.f. 1st April, 2024 to 31st March, 2026 by way of Special Resolution.
5. Approval of Remuneration of Mr. Sumit Sethia (DIN: 00831799), Whole-time Director of the Company, liable to retire by rotation, for the remaining period of his present tenure w.e.f. 1st April, 2024 to 2nd June, 2025 by way of Special Resolution.

Date of Postal Ballot Notice	5 th July, 2024
Cut-off Date of register of members for dispatch of notice	5 th July, 2024
Voting Period	Saturday, 13 th July, 2024 at 9:00 A.M. (IST) and ends on Sunday, 11 th August, 2024 at 5:00 P.M. (IST)
Date of passing resolution	11 th August, 2024
Date of declaration of voting result	12 th August, 2024

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The Board had appointed Mr. Pramod Prasad Agarwal from P.P. Agarwal & Co., Company Secretaries (CP No. 10566), as Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner. The Consolidated summary of results of Postal Ballot is as under:

1. Re-appointment of Ms. Shilpa Baid (DIN: 08538622) as an Independent Director for a second term of 5 consecutive years commencing from 16th August, 2024 to 15th August, 2029 by way of Special Resolution.

Particulars	Number of Valid		Percentage(%)
	Remote e-voters	Remote e-votes	
Assent	402	2,92,48,375	95.37
Dissent	73	14,19,740	4.63
Total	475	3,06,68,115	100

2. Re-appointment and fixation of remuneration of Mr. Mangilall Sethia (DIN: 00081367), Chairman and Whole-time Director of the Company, liable to retire by rotation, for a period of three years w.e.f. 1st October, 2024 to 30th September, 2027 by way of Special Resolution.

Particulars	Number of Valid		Percentage(%)
	Remote e-voters	Remote e-votes	
Assent	388	2,59,43,192	99.97
Dissent	82	7,322	0.03
Total	420	2,59,50,514	100

3. Approval of Remuneration of Mr. Kamal Sethia (DIN: 00081116), Managing Director of the Company, liable to retire by rotation, for the remaining period of his present tenure w.e.f. 1st April, 2024 to 31st March, 2026 by way of Special Resolution.

Particulars	Number of Valid		Percentage(%)
	Remote e-voters	Remote e-votes	
Assent	387	2,37,65,733	94.21
Dissent	82	14,61,197	5.79
Total	469	2,52,26,930	100

4. Approval of Remuneration of Mr. Sanjeev Sethia (DIN: 00354700), Whole-time Director of the Company, liable to retire by rotation, for the remaining period of his present tenure w.e.f. 1st April, 2024 to 31st March, 2026 by way of Special Resolution.

Particulars	Number of Valid		Percentage(%)
	Remote e-voters	Remote e-votes	
Assent	384	2,64,49,827	94.76
Dissent	83	14,61,296	5.24
Total	467	2,79,11,123	100

5. Approval of Remuneration of Mr. Sumit Sethia (DIN: 00831799), Whole-time Director of the Company, liable to retire by rotation, for the remaining period of his present tenure w.e.f. 1st April, 2024 to 2nd June, 2025 by way of Special Resolution.

Particulars	Number of Valid		Percentage(%)
	Remote e-voters	Remote e-votes	
Assent	385	2,74,80,526	94.95
Dissent	84	14,61,247	5.05
Total	469	2,89,41,773	100

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Procedure for Postal Ballot:

Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014, ("Rules") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company provided e-voting facility to its shareholders to cast their votes electronically through e-voting platform by CDSL. The Company completed dispatch (through e-mail only) of Postal Ballot Notice dated 5th July, 2024 on 10th July, 2024 to all the shareholders whose names appeared in the Register of Members / List of Beneficial Owners maintained by the Company/Depositories respectively as at close of business hours on Friday, 5th July, 2024, (the "Cut-off date") and whose e-mail addresses were registered with the Company / Depositories. The e-voting commenced at 9:00 A.M. (IST) on Saturday, 13th July, 2024 and ended on Sunday, 11th August, 2024 at 5:00 P.M. (IST). The Company also published a notice in Newspapers regarding completion of dispatch of postal ballot notice. The scrutinizer submitted the report after completion of the scrutiny and the results of voting by postal ballot were then announced on 12th August, 2024.

The voting results were communicated to the Stock Exchanges besides being displayed on the website of the Company, i.e. www.elinindia.com and on the website of CDSL at www.evotingindia.com.

B. SPECIAL RESOLUTION(S) PASSED ON 4TH MAY, 2025:

Approved the appointment of Ms. Priyanka Jain (DIN: 00618931) as an Independent Director for a first term of 5 (five) consecutive years commencing from 8th February, 2025 to 7th February, 2030.

Date of Postal Ballot Notice	8 th February, 2025
Cut-off Date of register of members for dispatch of notice	28 th March, 2025
Voting Period	Saturday, 5 th April, 2025 at 9:00 A.M. (IST) and ends on Sunday, 4 th May, 2025 at 5:00 P.M. (IST)
Date of passing resolution	4 th May, 2025
Date of declaration of voting result	5 th May, 2025

The Board had appointed Mr. Pramod Prasad Agarwal from P.P. Agarwal & Co., Company Secretaries (CP No. 10566), as Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner. The Consolidated summary of results of Postal Ballot is as under:

Approved the appointment of Ms. Priyanka Jain (DIN: 00618931) as an Independent Director for a first term of 5 (five) consecutive years commencing from 8th February, 2025 to 7th February, 2030.

Particulars	Number of Valid		Percentage (%)
	Remote e-voters	Remote e-votes	
Assent	188	2,94,84,522	99.99
Dissent	31	2,776	0.01
Total	219	2,94,87,298	100

Procedure for Postal Ballot:

Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014, ("Rules") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company provided e-voting facility to its shareholders to cast their votes electronically through e-voting platform by CDSL. The Company completed dispatch (through e-mail only) of Postal Ballot Notice dated 8th February, 2025 on April 03, 2025 to all the shareholders whose names appeared in the Register of Members / List of Beneficial Owners maintained by the Company/Depositories respectively as at close of business hours on Friday, 28th March, 2025, (the "Cut-off date") and whose e-mail addresses were registered with the Company/ Depositories. The e-voting commenced at 9:00 A.M. (IST) on Saturday, 5th April, 2025 and ended on Sunday, 4th May, 2025 at 5:00 P.M. (IST). The Company also published a notice in Newspapers regarding completion of dispatch of postal ballot notice. The scrutinizer submitted the report after completion of the scrutiny and the results of voting by postal ballot were then announced on 5th May, 2025.

Report on Corporate Governance (Contd.)

The voting results were communicated to the Stock Exchanges besides being displayed on the website of the Company, i.e. www.elinindia.com and on the website of CDSL at www.evotingindia.com.

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

6. MEANS OF COMMUNICATION

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

The results are usually published in (Financial Express) English newspaper having country-wide circulation and in (Pioneer) Hindi newspaper where the registered office of the Company is situated. These results are displayed on the website of the Company (www.elinindia.com) along with other news releases and presentations, if any, made to institutional investors or to analysts among others.

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

7. GENERAL SHAREHOLDER INFORMATION

- **Corporate Identification Number:** L29304DL1982PLC428372
- **Registered Office Address:** 4771, Bharat Ram Road, 23, Daryaganj, Delhi-110002.
- **Annual General Meeting through Video Conferencing (VC) / Other Audio-Visual Means Facility (OAVM)**
Date: Saturday, 30th August, 2025
Time: 10:30 a.m. (IST)
Venue: Meeting through VC/OAVM
 [Deemed Venue for Meeting: Registered Office of the Company at 4771, Bharat Ram Road, 23, Daryaganj, Delhi-110002.]
- **Financial Year:** The financial year covers the period from 1st April, 2024 to 31st March, 2025.
- **Transfer of unclaimed/unpaid amount to the Investor Education and Protection Fund**
 No unpaid/unclaimed dividend was required to be transferred to the Investor Education and Protection Fund.
- **Listing details**

National Stock Exchange of India Limited	BSE Limited
Exchange Plaza, 5 th Floor,	Corporate Relationship Department,
Plot No. C/1, G Block,	2 nd Floor, New Trading Wing,
Bandra - Kurla Complex	Rotunda Building, P.J. Towers,
Bandra (E), Mumbai - 400 051	Dalal Street, Mumbai - 400 001
Symbol: ELIN	Scrip Code: 543725

Report on Corporate Governance (Contd.)

Market Price Data for the period - 01st April, 2024 to 31st March, 2025:

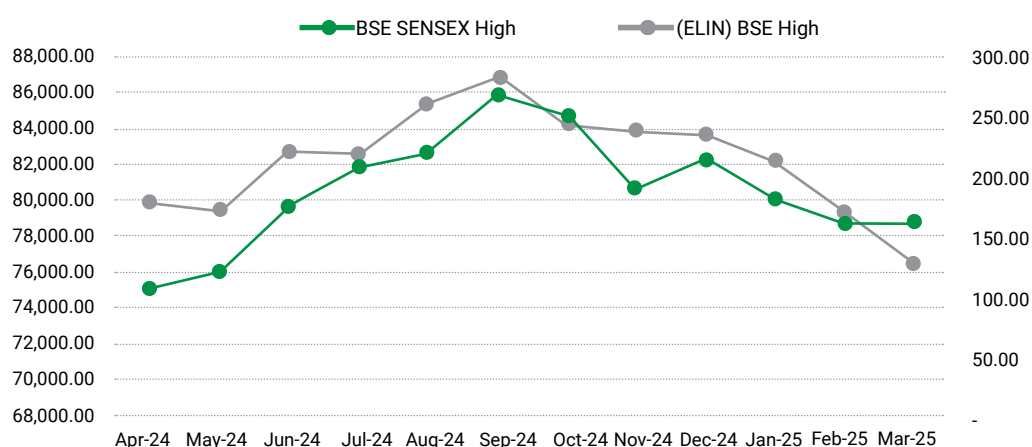
Share price performance in comparison on BSE Limited (BSE) & National Stock Exchange of India Limited (NSE):

Month	NSE		BSE		BSE SENSEX		NIFTY	
	High	Low	High	Low	High	Low	High	Low
Apr-24	177.50	136.20	177.30	137.05	75,124.28	71,816.46	22,783.35	21,777.65
May-24	171.00	153.00	171.00	152.95	76,009.68	71,866.01	23,110.80	21,821.05
Jun-24	221.80	145.15	221.05	145.00	79,671.58	70,234.43	24,174.00	21,281.45
Jul-24	218.95	177.00	218.80	177.70	81,908.43	78,971.79	24,999.75	23,992.70
Aug-24	262.50	188.62	262.55	177.15	82,637.03	78,295.86	25,268.35	23,893.70
Sep-24	282.00	230.85	281.95	230.55	85,978.25	80,895.05	26,277.35	24,753.15
Oct-24	244.60	198.41	244.10	199.40	84,648.40	79,137.98	25,907.60	24,073.90
Nov-24	239.37	198.92	238.25	198.60	80,569.73	76,802.73	24,537.60	23,263.15
Dec-24	235.00	197.04	234.90	194.55	82,317.74	77,560.79	24,857.75	23,460.45
Jan-25	212.76	136.62	213.00	137.00	80,072.99	75,267.59	24,226.70	22,786.90
Feb-25	168.08	109.00	169.50	108.85	78,735.41	73,141.27	23,807.30	22,104.85
Mar-25	126.51	108.21	126.40	108.65	78,741.69	72,633.54	23,869.60	21,964.60

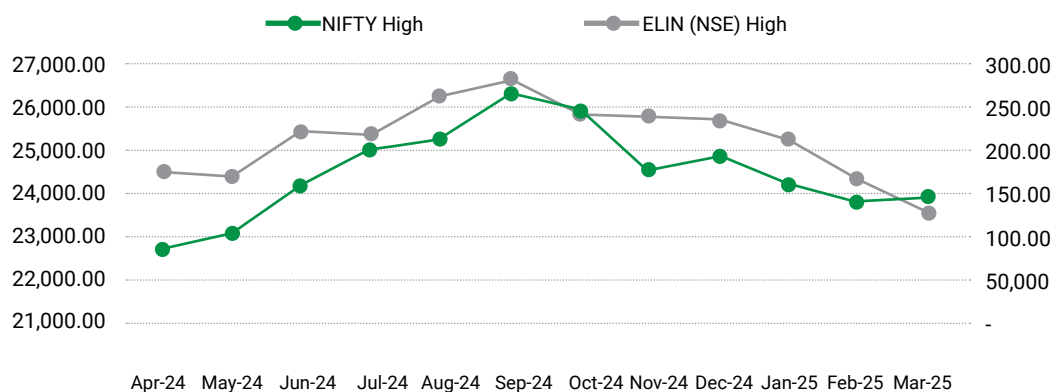
(Source: The above information is compiled from the data available on the websites of BSE and NSE)

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

BSE Sensex vs ELIN Share Price



NIFTY 50 vs ELIN Share Price



Report on Corporate Governance (Contd.)

- Suspension from trading:**

No Securities of your Company were suspended from trading during the F.Y. 2024-25.

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

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

Tel. No. : +91 40 6716 2222

Fax : +91 40 2343 1551

Email : einward.ris@kfintech.com

Website : www.kfintech.com

Toll Free No. : 18003454001

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

- Dematerialization of shares:**

As mandated by the Securities and Exchange Board of India ("SEBI"), securities of the Company can be transferred/traded only in dematerialized form. As on 31st March, 2025, 4,96,58,218 (99.99)% of shareholding was held in Dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited.

MODE OF HOLDING	NO. OF SHARES	% OF SHARE CAPITAL
Physical Segment (A)	1002	0.00%
Demat Segment		
NSDL (B)	4,04,67,152	81.49 %
CDSL (C)	91,91,066	18.51%
TOTAL (A) + (B)+ (C)	4,96,59,220	100%

- Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date & likely impact on equity as on 31st March, 2025.**

Your Company does not have any outstanding GDR /ADR / Warrants or any convertible instruments as on 31st March, 2025.

- Distribution of Shareholding by Size as on 31st March, 2025:**

Category (shares)	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-5000	58,894	96.78	57,92,824	11.66
5001- 10000	961	1.58	14,36,445	2.89
10001- 20000	457	0.75	13,00,295	2.61
20001- 30000	172	0.28	8,51,560	1.71
30001- 40000	75	0.12	5,22,670	1.05
40001- 50000	59	0.10	5,57,553	1.12
50001- 100000	97	0.16	13,98,025	2.81
100001& Above	136	0.22	3,77,99,848	76.12
Total	60,851	100	4,96,59,220	100

Report on Corporate Governance (Contd.)

Shareholding Pattern as on 31st March, 2025:

Sr. No.	Category of Shareholder	Total number of shares (Fully paid up)	% of total no. of shares
(A)	Shareholder of Promoter and Promoter Group		
1	Indian	1,63,76,335	32.98
2	Foreign	-	-
	Total shareholding of Promoter & promoter group	1,63,76,335	32.98
(B)	Public Shareholding		
1	RESIDENT INDIVIDUALS	2,35,83,094	47.489860
2	MUTUAL FUNDS	46,96,543	9.457545
3	FOREIGN PORTFOLIO - CORP	1,45,739	0.293478
4	FOREIGN PORTFOLIO INVESTORS	60,335	0.121498
5	QUALIFIED INSTITUTIONAL BUYER	6,02,100	1.212464
6	H U F	13,37,971	2.694305
7	NON RESIDENT INDIAN NON REPATRIABLE	10,80,178	2.175181
8	BODIES CORPORATES	15,14,949	3.050690
9	ALTERNATIVE INVESTMENT FUND	50,000	0.100686
10	NON RESIDENT INDIANS	1,94,579	0.391829
11	CLEARING MEMBERS	976	0.001965
12	TRUSTS	16,421	0.033067
	Total public shareholding	3,32,82,885	67.02%
	Total (A) + (B)	4,96,59,220	100.00%

• **Address for correspondence:**

ELIN ELECTRONICS LIMITED

Secretarial Department

4771 BHARAT ROAD, 23, DARYAGANJ, NEW DELHI-110002

Phone: 011-43000400

E-mail: cs@elinindia.com

• **Plant Locations:**

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

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

Report on Corporate Governance (Contd.)

- **List of all Credit Ratings obtained by the Company along with revisions for the F.Y. 2024-25:**

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

Type of Credit rating	During the F.Y. 2024-25	Post the F.Y. 2024-25
Long Term Rating on Bank Facilities	CRISIL A/Stable	CRISIL A /Stable
Short Term Rating on Bank Facilities	CRISIL A1	CRISIL A1

8. OTHER DISCLOSURES / COMPLIANCES

Material Wholly-Owned Subsidiary Company – Monitoring Framework

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

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

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

Related Party Transactions & Conflict of Interest

All the contracts/ arrangements/ transactions entered by your Company during the financial year with related parties were in its ordinary course of business and on arms' length basis. The Company has made full disclosure of transactions with the related parties as set out in notes of Standalone Financial Statement, forming part of the Annual Report. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large. The Company has uploaded Related Party Transaction Policy at the following elinindia.com/pdf/investors/Disclosure_under_Regulation46_of_SEBI/Related_Party_Transaction_Policy_ELIN_Electronics.pdf

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

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

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

Payment of Listing Fees

Annual Listing Fees for the F.Y. 2024-25 has been paid by the Company to National Stock Exchange of India Limited and BSE Limited.

Website

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

Commodity Price risk or foreign exchange risk and hedging activities

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

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

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

The Company has not raised funds through preferential allotment or qualified institutions placement during F.Y. 2024-25.

Report on Corporate Governance (Contd.)

Disclosures with respect to demat suspense account/ unclaimed suspense account

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

Code for prevention of Insider-Trading Practices

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

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

Certification

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

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

No Disqualification Certificate from Company Secretary in Practice

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

Fees to Statutory Auditor and its affiliates

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to statutory auditors of the Company, during the year ended 31st March, 2025, is 5.87 Million.

Prevention of Sexual Harassment (POSH)

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

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

Report on Corporate Governance (Contd.)

Compliance with Mandatory Requirements and adoption of discretionary Requirements

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

1. Unmodified Audit Opinion

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

2. Reporting of Internal Auditor

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

Compliance Report on Corporate Governance

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

Compliance with requirement of Corporate Governance Report

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

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

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

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

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

There was no instance during F.Y. 2024-25, where the Board of Directors of the Company has not accepted any recommendations, if any, of its Committees.

Code of Conduct

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

Report on Corporate Governance (Contd.)

DECLARATION - COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management personnel of the Company, affirmation that they have complied with the Code of Conduct framed for Directors and Senior Management Personnel in respect of the F.Y. 2024-25.

Praveen Tandon

Chief Executive Officer

Place: New Delhi

Date: 26th May, 2025

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

Particulars	Website Links
Vigil Mechanism/Whistle- blower Policy	https://www.elinindia.com/pdf/investors/policies/Whistle-Blower-Policy.pdf
Terms and Conditions of appointment of Independent Directors	https://www.elinindia.com/pdf/investors/Disclosure_under_Regulation46_of_SEBI/Modal_Letter_Of_Appointment_Of_Independent_Director.pdf
Risk Management Policy	https://www.elinindia.com/pdf/investors/policies/Risk-Management-Policy.pdf
Remuneration Policy for Directors, KMP and other Employees	https://www.elinindia.com/pdf/investors/policies/Nomination-Remuneration-Policy.pdf
Related Party Transaction Policy	https://www.elinindia.com/pdf/investors/policies/Related-Party-Transaction-Policy-ELIN-Electronics.pdf
Policy for Succession Planning for the Board	https://www.elinindia.com/pdf/investors/policies/Succession-Plan-Policy.pdf
Policy on Board Diversity	https://www.elinindia.com/pdf/investors/policies/Board-Diversity-Policy.pdf
Material Subsidiary Policy	https://www.elinindia.com/pdf/investors/policies/Policy-on-Material-Subsidiaries.pdf
Code of Practices and Procedures for UPSI	https://www.elinindia.com/pdf/investors/code_of_conduct/Code_of_Practices_and_Procedures_for_Fair_Disclosure_of_UPSI.pdf
Induction and Familiarization Programme for Independent Director	https://www.elinindia.com/pdf/investors/management/Familiarization_programme_imparted_to_Independent_Directors_for_FY_2024_2025.pdf
Dividend Distribution Policy	https://www.elinindia.com/pdf/investors/policies/Dividend-Distribution-Policy.pdf
Code of Conduct for Board and Senior Management	https://www.elinindia.com/pdf/investors/code_of_conduct/Code-of-Conduct-for-Directors-and-Senior-Management.pdf
Policy for Preservation of documents	https://www.elinindia.com/pdf/investors/policies/Policy-on-preservation-of-documents.pdf
CSR Policy	https://www.elinindia.com/pdf/investors/csr/CSR-Policy.pdf

On behalf of the Board of Directors

(Mangilall Sethia)

Chairman

DIN: 00081367

Place: New Delhi

Date: 26th May, 2025

Report on Corporate Governance (Contd.)

Annexure-A

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

To

The Board of Directors

ELIN ELECTRONICS LIMITED

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

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

- A. We have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2025 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by Elin Electronics Limited during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting in Elin Electronics Limited and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:
 - a) Significant changes in internal control over financial reporting during the year;
 - b) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Raj Karan Chhajjer
Chief Financial Officer

Praveen Tandon
Chief Executive Officer

Date: 26th May, 2025
Place: New Delhi

Report on Corporate Governance (Contd.)

Annexure-B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Elin Electronics Limited** ("the Company") having its registered office at 4771, Bharat Ram Road, 23, Daryaganj, New Delhi-110002, Delhi, produced before us by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10 (i) of SEBI (LODR) Regulations, 2015.

In our opinion and to the best of our information and knowledge and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its Directors/ officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such other statutory authority:

S. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
1	KAMAL SETHIA	00081116	06/08/2007	-
2	MANGILALL SETHIA	00081367	26/03/1982	-
3	SANJEEV SETHIA	00354700	29/08/2008	-
4	SUMIT SETHIA	00831799	03/06/2020	-
5	SHANTI LAL SARNOT	01899198	30/09/2021	-
6	KAMAL SINGH BAID	07149567	30/03/2015	30 th March, 2025
7	SHILPA BAID	08538622	16/08/2019	-
8	ASHIS CHANDRA GUHA	09352987	08/10/2021	-
9	PRIYANKA JAIN	00618931	08/02/2025	-

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

The Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2025.

For P. P. AGARWAL & CO.
Company Secretaries

(Pramod Prasad Agarwal)

Proprietor M. No. F4955 C.P. No. 10566

Peer Review Cert. No.1241/2021

UDIN: F004955G000362708

Place: New Delhi
Date: 16th May, 2025

Report on Corporate Governance (Contd.)

Annexure-C

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

We have examined the compliance of conditions of Corporate Governance by ELIN ELECTRONICS Limited ("the Company"), for the Financial Year ended 31st March, 2025 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation(2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

For Akshat Garg & Associates
(Company Secretaries)

(CS Akshat Garg)
Prop.

C. P. No. 10655
M. No. F9161

UDIN: L29304DL1982PLC428372

Place: Ghaziabad
Date: 26th May, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Elin Electronics Limited

Report on the Audit of the Standalone Financial Statements

OPINION

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

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

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of

Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition – Cut off (as described in Note 2.7 of the standalone financial statements)	
Revenue from the sale of goods is recognized at the moment when control has been transferred to the customer and is measured net of trade discounts, rebates and pricing allowances to customers.	Our audit procedures included the following:
The timing of revenue recognition is relevant to the reported performance of the Company. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being recognized before control has been transferred.	
	- We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. - We tested on a sample basis, key customer contracts to identify terms and conditions relating to transfer of control. - We performed substantive testing by selecting samples of revenue transactions recorded during the year by testing the underlying documents which included invoices, good dispatch notes, customer acceptances and shipping documents (as applicable). - We carried out analytical procedures on revenue recognized during the year to identify unusual variances. - We tested, on a sample basis, specific revenue transactions recorded closer to the year end and after the financial year end date to determine whether the revenue had been recognized in the appropriate period.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

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

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

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's

ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and,

INDEPENDENT AUDITOR'S REPORT (Contd.)

based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books as disclosed in note 49 to the consolidated financial statements except that (a) the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis and (b) for the matters stated in the paragraph 2 (i) (vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under section 143(3)(b) and paragraph 2 (i) (vi) below on reporting under Rule 11(g).
 - (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

INDEPENDENT AUDITOR'S REPORT (Contd.)

- (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. No dividend has been declared or paid during the year by the Company.
 - vi. Based on our examination which included test checks, and as explained in note 50 to the standalone financial statement. The Company has used accounting software which is operated by a third-party software service provider, for maintaining its books of account. Since, the verification of audit trail feature is not covered in the SOC 1 Type 2 report, we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of an accounting software.
- Additionally, for the reasons stated in note 50 to the standalone financial statements, we are unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Divya Mathur

Partner

Membership Number: 506846

UDIN: 25506846BMNTEC7601

Place of Signature: Gurugram

Date: May 26, 2025

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

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) All Property, Plant and Equipment were physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2025.
- (iii) (a) During the year the Company has provided loans to employees as follows:

Particulars	Loan to employees (In INR Millions)
Aggregate amount provided during the year Employee loans	28.43
Balance outstanding as at balance sheet date in respect of above cases Employee loans	16.58

- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans to employees are not prejudicial to the Company's interest.
- (c) The Company has granted loans to employees where the schedule of repayment of principle has been stipulated and the repayment or receipt are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2025 and no discrepancies were noticed in respect of such confirmations. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (b) As disclosed in note 20 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the unaudited books of accounts of the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report

ANNEXURE 1 (Contd.)

on clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies

Act, 2013, related to the manufacture of Electronics Items, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the dues outstanding of provident fund, sales-tax, customs duty, and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (In Rs Millions)*	Period to which the amount relates	Forum where the dispute is pending
Employees Provident Fund & Miscellaneous Provision Act, 1952	Provident Fund	3.50	Oct 1995 to Sep 2011	Central Government Industrial Tribunal II, Mumbai
Employees Provident Fund & Miscellaneous Provision Act, 1952	Provident Fund	0.85	Apr 2009 to Mar 2019	Central Government Industrial Tribunal-Cum-Labour Court-I, Chandigarh.
Custom Act, 1962	Custom Duty	0.94	2019-20	Commissioner (Appeals) of Customs, Mumbai
Goa Value Added Tax, 2005	Value Added Tax	0.16	2017-18	Deputy Commissioner of Commercial Taxes, Goa
The GST Act, 2017	Goods and Service tax	0.59	2017-18	Appellate Authority
The Central Sales Tax Act	Central Sales tax	0.00	2008-09	Additional Commissioner (Appeal)

*Net of amount paid under protest /adjusted against refunds

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on

ANNEXURE 1 (Contd.)

short-term basis have been used for long-term purposes by the Company.

- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Further, refer Note 48 to the financial statements regarding utilisation of proceeds from initial public offer undertaken in previous financial year, during the current financial year.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 45 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material

ANNEXURE 1 (Contd.)

uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter

has been disclosed in note 41 to the financial statements.

- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 41 to the financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Divya Mathur

Partner

Membership Number: 506846

UDIN: 25506846BMNTEC7601

Place of Signature: Gurugram

Date: May 26, 2025

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF Elin Electronics Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Elin Electronics Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

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

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

OPINION

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Divya Mathur

Partner

Membership Number: 506846

UDIN: 25506846BMNTEC7601

Place of Signature: Gurugram

Date: May 26, 2025

Standalone Balance Sheet

as at 31st March, 2025

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

Particulars	Notes	As at 31 st March, 2025	As at 31 st March, 2024
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	3	2,060.31	1,849.19
(b) Capital work-in-progress	4	33.20	119.39
(c) Intangible assets	5	2.14	5.80
(d) Investment in subsidiary	6	20.00	20.00
(e) Financial Assets			
(i) Investments	7	14.00	14.00
(ii) Other Financial Assets	8	25.75	56.07
(f) Other non-current assets	10	27.82	17.66
Total Non Current Assets		2,183.22	2,082.11
Current Assets			
(a) Inventories	11	1,076.78	868.71
(b) Financial Assets			
(i) Investments	12	666.78	613.20
(ii) Trade receivables	13	1,582.82	1,402.72
(iii) Cash and cash equivalents	14	0.65	2.08
(iv) Bank balances other than (iii) above	15	310.12	12.20
(v) Other Financial assets	16	35.11	360.36
(c) Other current Assets	18	70.59	90.65
Total Current Assets		3,742.85	3,349.92
Total Assets		5,926.07	5,432.03
Equity and Liabilities			
Equity			
(a) Equity Share Capital	19	248.30	248.30
(b) Other Equity	19	4,251.92	4,052.14
Total Equity		4,500.22	4,300.44
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	33	5.26	5.10
(b) Deferred tax liabilities (Net)	9	109.34	89.14
Total Non Current Liabilities		114.60	94.24
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	113.01	7.29
(ii) Lease Liabilities	33	0.06	0.06
(iii) Supplier's credit	21(a)	-	20.18
(iv) Trade payables			
- total outstanding dues of micro and small enterprises	21(b)	160.32	186.33
- total outstanding dues of creditors other than micro and small enterprises	21(b)	815.77	581.37
(v) Other financial liabilities	22	85.30	87.69
(b) Other current liabilities	23	93.39	116.68
(c) Provisions	24	37.17	33.82
(d) Current Tax liabilities (Net)	17	6.23	3.93
Total Current Liabilities		1,311.25	1,037.35
Total Liabilities		1,425.85	1,131.59
Total Equity and Liabilities		5,926.07	5,432.03
The accompanying notes form an integral part of the Standalone financial statements		1-50	

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

Divya Mathur
Partner
Membership No.: 506846

Place : Gurgaon
Date : 26th May, 2025

For and on behalf of the Board of Directors

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajera
Chief Financial Officer
PAN: AAAPC0561C

M.L. Sethia
Chairman
DIN: 00081367

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 26th May, 2025

Standalone Statement of Profit & Loss

for the year ended 31st March, 2025

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

Particulars	Notes	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
I INCOME			
Revenue from operations	25	9,449.47	8,352.00
Other Income	26	102.70	90.20
Total Income (I)		9,552.17	8,442.20
II EXPENSE			
Cost of Material Consumed	27	6,584.87	5,806.51
Purchases of stock-in-trade		315.18	158.00
Change in inventories of finished goods, work-in progress and stock-in-trade	28	(65.14)	62.02
Employee benefits expense	29	1,403.27	1,235.35
Finance Costs	30	62.28	77.32
Depreciation and amortization expenses	3, 5	204.13	186.50
Other Expenses	31	774.75	734.58
Total Expenses (II)		9,279.34	8,260.28
III Profit before tax (I - II)		272.83	181.92
IV Tax expenses			
- Current tax		50.00	50.30
- Adjustment of tax relating to earlier period		(0.37)	4.65
- Deferred Tax		21.48	(0.42)
Total tax expenses		71.11	54.53
V Profit for the year (III-IV)		201.72	127.39
VI Other comprehensive Income (OCI):			
Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) of defined employee benefit plans		(5.12)	4.28
Tax expense on items that will not be reclassified to profit or loss		1.29	(1.08)
Items that will be reclassified to profit or loss			
Gain/(Loss) on Equity Instruments designated through OCI		-	-
Tax expense on items that be reclassified to profit or loss		-	-
Other comprehensive income for the year after tax		(3.83)	3.20
VII Total comprehensive income for the year net of tax (V + VI)		197.89	130.59
VIII Earnings per share from continuing and total operations attributable to the equity holders of the Company [face value of ₹ 5/- each]	32		
- Basic and diluted (amount in ₹)		4.06	2.57
The accompanying notes form an integral part of the Standalone financial statements	1-50		

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

Divya Mathur
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DIN: 00081367

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 26th May, 2025

Standalone Statement of Cash Flows

for the year ended 31st March, 2025

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
I. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax	272.83	181.92
Adjustments for :		
Depreciation and amortization expense	204.13	186.50
(Gain)/Loss on disposal of property, plant and equipment (net)	(10.32)	10.96
Fair value (gain) on financial assets held at fair value through profit or loss	(53.58)	(5.77)
(Gain) on sale of current investments measured at FVTPL	-	(3.74)
Provision for doubtful debt (written back) / written off	1.06	(0.13)
Unrealized Foreign exchange fluctuation Gain (Net)	(1.11)	(0.50)
Interest income	(36.97)	(79.58)
Share based payments to employees	1.89	-
Finance costs	62.28	77.32
	167.38	185.06
Change in operating assets and liabilities :		
(Increase)/decrease in trade and other receivable	(151.68)	70.84
(Increase)/ Decrease in Inventories	(208.07)	153.96
Increase/ (Decrease) in trade and other payables	167.61	(220.46)
	(192.14)	4.34
Cash generated from operations	248.07	371.32
Income taxes paid (net)	(47.32)	(32.09)
Net cash generated from / (used in) operating activities	200.75	339.23
II Cash flow from Investing activities		
Purchase of property, plant and equipment including capital work in progress and capital advance	(340.54)	(279.67)
Proceeds from grant on property, plant and equipment	-	55.85
Proceeds from sale of property, plant and equipment	28.74	38.96
Proceeds from sale of Current Investment	-	256.43
Purchase of Current Investment	-	(600.00)
Purchase of Non Current Investment	-	(14.00)
Fixed deposits made during the year	(297.00)	(1.81)
Fixed deposits matured during the year	321.88	900.99
Decrease in loan to other	-	1.60
Interest received	41.13	66.90
Net Cash generated from / (used in) investing activities	(245.79)	425.25
III Cash flow from Financing Activities		
Proceeds from borrowings	105.72	-
(Repayment)/Proceeds of borrowings	-	(639.35)
Payment of Dividend	-	(49.54)
Interest on lease liabilities	(0.27)	(0.27)
Principal payment of lease liabilities	(0.00)	(0.23)
Finance Costs paid	(61.84)	(76.82)
Net Cash generated from / (used in) financing activities	43.61	(766.21)

Standalone Statement of Cash Flows

for the year ended 31st March, 2025 (Contd.)

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
IV Net increase/(decrease) in cash & cash equivalents (I + II + III)	(1.43)	(1.73)
V Cash and cash equivalents at the beginning of the year	2.08	3.81
VI Cash and cash equivalents at end of the year	0.65	2.08
Notes:		
1 The Standalone Statement of Cash flow has been prepared under the indirect method as set-out in the Ind AS - 7 "Statement of Cash Flow" as specified in the Companies (Indian Accounting Standards) Rules, 2015.		
2 Figures in bracket indicate cash outflow.		
3 Cash and cash equivalents (refer Note 14) comprise of the followings:		
Cash on hand	0.54	1.10
Cheques in hand	-	0.30
Balances with Scheduled banks in Current accounts	0.11	0.68
Balances per statement of cash flows	0.65	2.08
4 Analysis of movement in borrowings		
Borrowings at the beginning of the year	7.29	646.64
Cash flows	105.72	(639.35)
Non cash changes	-	-
Borrowings at the end of the year	113.01	7.29

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

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

Divya Mathur
Partner
Membership No.: 506846

Place : Gurgaon
Date : 26th May, 2025

For and on behalf of the Board of Directors

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

M.L. Sethia
Chairman
DIN: 00081367

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 26th May, 2025

Standalone Statement of Changes in Equity

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

A. EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at 1 st April, 2023	248.30
Issue of Share Capital	-
Balance as at 31 st March, 2024	248.30
Issue of Share Capital	-
Balance as at 31 st March, 2025	248.30

B. OTHER EQUITY

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Securities Premium	General Reserve	Retained Earnings	Share based payment reserve	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans	
Balance as at 1 st April, 2023	1,689.76	483.73	1,759.59	-	(0.10)	38.23	3,971.21
Profit for the year	-	-	127.39	-	-	3.20	130.59
Utilized for payment of Final Dividend	-	-	(49.66)	-	-	-	(49.66)
Balance as at 31 st March, 2024	1,689.76	483.73	1,837.32	-	(0.10)	41.43	4,052.14
Profit for the year	-	-	201.72	-	-	(3.83)	197.89
Share based payment reserve	-	-	-	1.89	-	-	1.89
Balance as at 31 st March, 2025	1,689.76	483.73	2,039.04	1.89	(0.10)	37.60	4,251.92

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

Divya Mathur
Partner
Membership No.: 506846

Place : Gurgaon
Date : 26th May, 2025

For and on behalf of the Board of Directors

Kamal Sethia
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DIN: 00081116

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DIN: 00081367

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 26th May, 2025

Material Accounting Policies

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

1. CORPORATE INFORMATION

Elin Electronics Limited ('the Company') was incorporated in India on 26th March, 1982 under the provisions of the Companies Act, 1956 (CIN L29304DL1982PLC428372). The Company is engaged in the business of Electronics Manufacturing Services. Its share are listed on two recognized stock exchanges in India. The registered office of the Company is located at 4771, Bharat Ram Road, 23, Daryaganj, New Delhi-110002 (India) and manufacturing plants in the state of Uttar Pradesh, Himachal Pradesh and Goa.

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

Changes in accounting policies and disclosures:-

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

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

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

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

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

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

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or

presentation of any items in the Company's financial statements.

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

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

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1st April, 2022.

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

2. MATERIAL ACCOUNTING POLICIES

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

2.1 Basis of Preparation

2.1.1 Statement of compliance

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

Material Accounting Policies

(All amounts are in ₹ million unless otherwise stated) (Contd.)

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

2.1.2 Historical Cost Convention

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

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

Functional and presentation currency

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

Summary of material accounting policies**2.2 Current vs non-current classification**

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

An asset is treated as current when it is:

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

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

2.3 Property plant and equipment**Recognition and Initial Measurement**

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

Cost of asset includes:

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

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital

Material Accounting Policies

(All amounts are in ₹ million unless otherwise stated) (Contd.)

advances and capital work-in-progress (CWIP) respectively.

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

Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is

capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the expenditure can be measured reliably.

Depreciation and useful lives

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

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

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

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

Derecognition

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

2.4 Intangible assets

Intangible assets acquired separately are stated at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are amortized on straight line basis over the estimated useful life. Estimated useful life of the software is considered as 3 years. Amortisation methods, useful lives and residual values are reviewed in each financial

Material Accounting Policies

(All amounts are in ₹ million unless otherwise stated) (Contd.)

year / period end and changes, if any, are accounted for prospectively. An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Standalone Statement of Profit and Loss.

2.5 Impairment of non-financial assets

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

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

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

impairment loss been recognized for the asset in prior period. Such reversal is recognized in the Standalone Statement of Profit and loss.

2.6 Inventories

a) Inventories (including traded goods) are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

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

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

2.7 Revenue recognition

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

Material Accounting Policies

(All amounts are in ₹ million unless otherwise stated) (Contd.)

likely amount method. Consequently, amounts allocated to a satisfied performance obligation are recognised as revenue, or as a reduction of revenue, in the period in which the transaction price changes. Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price.

a) Sale of products and Services

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

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

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

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

b) Other Operating Revenue

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

c) Other Revenue

- **Interest income:** Interest income is recognised as interest accrues using the effective interest method ("EIR") that is the rate that exactly discounts estimated future cash receipts through the expected life of

the financial instrument to the net carrying amount of the financial asset.

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

d) Contract balances

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

Material Accounting Policies

(All amounts are in ₹ million unless otherwise stated) (Contd.)

e) Right of return

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

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

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

2.8 Taxes

Tax expense comprises current tax expense and deferred tax.

a) Current income tax

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

and considers whether it is probable that a taxation authority will accept an uncertain tax treatment.

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

b) Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

In assessing the recoverability of deferred tax assets, the Company relies on the

Material Accounting Policies

(All amounts are in ₹ million unless otherwise stated) (Contd.)

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

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

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

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

2.9 Foreign currencies

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

Foreign currency monetary items outstanding at the reporting date are converted to functional currency using the closing rate (Closing selling rates for liabilities and closing buying rate for assets). Non- monetary items denominated in a

foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

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

2.10 Employee benefit

a) Short-term employee benefits

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

b) Post-employment benefits

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

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

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

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(All amounts are in ₹ million unless otherwise stated) (Contd.)

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

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

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

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

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

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

c) Other long-term employee benefits

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

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

d) Share based payments - Employee Stock Option Scheme ('ESOP')

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

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options determined under Black-Scholes model. The total expense is recognized over

Material Accounting Policies

(All amounts are in ₹ million unless otherwise stated) (Contd.)

the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium. If the options are forfeited or not exercised after vesting date, related expenses already recognized in statement of profit and loss are not reversed but transferred to other component within equity.

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

2.11 Cash and cash equivalents

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

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

2.12 Borrowing Cost

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

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

2.13 Provisions, contingent assets and contingent liabilities

a) Provisions

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

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

b) Warranties

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

c) Contingent liabilities

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

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

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(All amounts are in ₹ million unless otherwise stated) (Contd.)

d) Contingent assets

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

2.14 Leases

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

a) Company as a lessee

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

i) Right-of-use assets

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

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

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

Standalone Statement of Profit and loss.

ii) Lease liabilities

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

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

Material Accounting Policies

(All amounts are in ₹ million unless otherwise stated) (Contd.)

iii) Short term lease and leases of low value assets

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

iv) Single discount rate

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

b) Company as a lessor

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

2.15 Financial instruments

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

a) Financial assets

Initial recognition and measurement

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

Classification and subsequent measurement

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

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

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

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

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

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other

Material Accounting Policies

(All amounts are in ₹ million unless otherwise stated) (Contd.)

comprehensive income (designated as FVOCI – equity investment). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

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

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

Financial assets at amortised cost

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

Financial assets at FVTPL

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

Equity investments at FVOCI

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

Impairment of financial assets

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

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

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

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

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

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

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(All amounts are in ₹ million unless otherwise stated) (Contd.)

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

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

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

Derecognition of financial assets

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

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

b) Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

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

The Company has not designated any financial liabilities at FVTPL

(ii) Financial liabilities at amortized cost

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

Derecognition of financial liabilities

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

c) Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no

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(All amounts are in ₹ million unless otherwise stated) (Contd.)

reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

d) Offsetting of financial instruments

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

2.16 Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

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

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2.17 GST Credit

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

2.18 Earnings per share

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

2.19 Segment reporting

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

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

2.20 Government grants

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

2.21 Standalone Statement of Cash Flows

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

2.22 Significant accounting estimates and judgments

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

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(All amounts are in ₹ million unless otherwise stated) (Contd.)

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

Significant judgements

- **Allowances for uncollected trade receivables**

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

- **Contingencies**

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

- **Impairment of other financial assets**

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

- **Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations,

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

- **Recoverability of deferred taxes**

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

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

- **Impairment of non-financial assets**

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

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(All amounts are in ₹ million unless otherwise stated) (Contd.)

incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ('DCF') model.

Significant estimates

• Defined benefit plans

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

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

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

• Leases - Estimating the incremental borrowing rate

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

• Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease,

together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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

• Fair value measurement of financial instruments

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

• Warranties

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties. However, the

Material Accounting Policies

(All amounts are in ₹ million unless otherwise stated) (Contd.)

actual future outcome may be different from management's estimates. Product warranty liability and warranty expenses are recorded if the claims of the customers under warranty are probable and the amount can be reasonably estimated.

2.23 Exceptional Items

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

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

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

3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and Machinery	Building	Dies, Moulds & Tools	Electrical Installations	Furniture and Fixtures	Office Equipment's	Computers	Vehicles	Land (Leasehold)	Right-of-use-assets	Total
Gross Carrying Value											
Balance as at 1 st April, 2023	1,592.56	720.61	271.11	214.35	48.02	11.04	28.22	62.66	221.96	3.89	3,174.42
Additions	65.52	0.48	51.90	22.65	2.28	0.92	4.08	8.77	-	-	156.60
Disposals	68.32	-	2.91	29.83	-	0.11	0.08	6.24	-	-	107.49
Capital Subsidy Received (Refer footnote 1)	31.15	21.64	0.35	1.86	0.85	-	-	-	-	-	55.85
Balance as at 31st March, 2024	1,558.61	699.45	319.75	205.31	49.45	11.85	32.22	65.19	221.96	3.89	3,167.68
Additions	191.07	97.11	103.94	11.92	7.35	1.69	3.42	13.50	-	-	430.00
Disposals	26.83	-	19.59	0.63	-	-	0.08	1.56	-	-	48.69
Balance as at 31st March, 2025	1,722.85	796.56	404.10	216.60	56.80	13.54	35.56	77.13	221.96	3.89	3,548.99
Accumulated depreciation											
Balance as at 1 st April, 2023	705.94	211.43	68.86	97.22	30.81	7.08	20.39	32.52	20.62	0.04	1,194.91
Depreciation charge for the year	103.95	18.78	27.35	14.26	2.48	1.34	4.34	5.74	3.51	0.08	181.83
Disposals	42.22	-	0.86	9.13	-	0.11	0.07	5.86	-	-	58.25
Balance as at 31 st March, 2024	767.67	230.21	95.35	102.35	33.29	8.31	24.66	32.40	24.13	0.12	1,318.49
Depreciation charge for the year	101.00	19.69	46.38	15.22	2.54	1.35	4.02	6.72	3.49	0.05	200.47
Disposals	15.12	-	13.48	0.19	-	-	0.02	1.47	-	-	30.28
Balance as at 31st March, 2025	853.55	249.90	128.25	117.38	35.83	9.66	28.66	37.65	27.62	0.17	1,488.68

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Particulars	Plant and Machinery	Building	Dies, Moulds & Tools	Electrical Installations	Furniture and Fixtures	Office Equipment's	Computers	Vehicles	Land (Leasehold)	Right-of-use-assets	Total
Net Carrying Value											
Balance as at 31 st March, 2024	790.94	469.24	224.40	102.96	16.16	3.54	7.56	32.79	197.83	3.77	1,849.19
Balance as at 31st March, 2025	869.30	546.66	275.85	99.22	20.97	3.88	6.90	39.48	194.34	3.72	2,060.31

- In the previous year, the company has received capital subsidy of ₹ 55.85 Million for investment during October, 2015 to March, 2018 in Capex in manufacturing plant at Plot No.C-142, 143, 144, 144/1, 144/2, Site No.1, Bulland Shahar Road, Ghaziabad, Uttar Pradesh, 201009 under Modified Special Incentive Package Scheme (M-SIPS) notified vide M-SIPS Policy Gazette Notification No. 175 dated 27th July, 2012 and revised from time to time till date from Ministry of Electronics and Information Technology (Meity) vide approval letter dt 26th March, 2024. The said amount has been adjusted to the carrying value of respective Property Plant and Equipments.
- Refer Note 20 for details of assets pledged.
- The Company had elected to continue with the carrying value of property, plant and equipment as recognised in the financial statements as per previous GAAP and had regarded those values as the deemed costs on the date of transition (i.e. 1st April, 2018).
- For contractual commitment related to property, plant and equipment - Refer Note 36(b)
- The Company has not revalued any property, plant and equipment in current financial year as well as previous year.

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

4 CAPITAL WORK-IN-PROGRESS

Particulars	Total
Balance as at 1st April, 2023	-
Additions	119.39
Disposals	-
Balance as at 31st March, 2024	119.39
Additions	29.28
Disposals	(115.47)
Balance as at 31st March, 2025	33.20

4.1 Capital work-in-progress ageing schedule

As at 31st March, 2025

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	29.28	3.92	-	-	33.20
Projects temporarily suspended	-	-	-	-	-

As at 31st March, 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	119.39	-	-	-	119.39
Projects temporarily suspended	-	-	-	-	-

4.2 There is no work in progress projects whose completion is overdue or has exceeded its cost compare to its original plan during financial year 2023-24 and 2024-25

5 INTANGIBLE ASSETS

Particulars	Computer Software
Gross Carrying Value	
Balance as at 1st April, 2023	25.11
Additions	-
Disposals	13.91
Balance as at 31st March, 2024	11.20
Additions	-
Disposals	-
Balance as at 31st March, 2025	11.20
Accumulated amortization and impairment	
Balance as at 1st April, 2023	13.97
Amortization	4.67
Disposals	13.24
Balance as at 31st March, 2024	5.40
Amortization	3.66
Disposals	-
Balance as at 31st March, 2025	9.06
Net Carrying Value	
Balance as at 31 st March, 2024	5.80
Balance as at 31st March, 2025	2.14

- The Company has not revalued any intangible assets in current financial year as well as previous year.
- The Company had elected to continue with the carrying value of intangible assets as recognized in the financial statements as per previous GAAP and had regarded those values as the deemed costs on the date of transition (i.e. 1st April, 2018).

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

6 INVESTMENT IN SUBSIDIARY, ASSOCIATES

Particulars	As at March 31, 2025	As at March 31, 2024
Unquoted Investments (At Cost)		
Investment in Equity Instruments		
Subsidiary	20.00	20.00
Total	20.00	20.00

A. Investment in subsidiary

Particulars	Face value per share (₹)	Elin Appliances Pvt. Ltd.	
		No. of Shares	Amount
Investment in Equity Instruments - Equity Shares			
As at 31 st March, 2024	10/-	2,00,000	20.00
As at 31 st March, 2025	10/-	2,00,000	20.00

B. Additional Disclosures:

Particulars	As at March 31, 2025	As at March 31, 2024
Aggregate carrying value of unquoted investments	20.00	20.00
Aggregate amount of impairment in value of investments	-	-

C. Additional details of subsidiary

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

7 NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Unquoted equity shares		
Investments - Non-Trade		
Investments in Equity instruments	14.00	14.00
Total	14.00	14.00

7.1 Detail of Non-Current Investments

Particulars	Elcina Electronics Cluster Pvt Ltd (Face Value ₹ 10/- each)*		Sunsure Solarpark Ten Private Ltd. (Face Value ₹ 10/- each)		Total Amount
	No. of Shares	Amount	No. of Shares	Amount	
Financial assets measured at FVTOCI					
Investment in equity instruments - Equity Shares (Fully paid up)					
As at 31 st March, 2024	10,000	-	10,623	14.00	14.00
As at 31 st March, 2025	10,000	-	10,623	14.00	14.00

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

7.2. Additional Disclosures:

Particulars	As at March 31, 2025	As at March 31, 2024
Aggregate carrying value of unquoted investments	14.00	14.00

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

8 OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good and measured at amortized cost unless otherwise stated		
Bank deposits with remaining maturity more than 12 months *	0.07	11.94
Interest Receivable	0.01	0.04
Loan to related parties**	3.82	-
Security Deposit	21.85	44.09
Total	25.75	56.07

*Above Bank deposits included amount of ₹ 0.07 Million (P.Y. ₹ 11.94 Mn) are held as margin money/securities with banks.

**The Company has no loans which are either repayable on demand or are without specifying any terms or period of repayment

9 DEFERRED TAX ASSETS / (LIABILITIES) (NET)

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

Particulars	Defined benefit obligation	Property, plant and equipment (Including Intangible Assets)	Provisions & others	Total
As at 1 April, 2023	3.99	(100.89)	12.41	(84.49)
(Changed)/Credited:				
- to profit and loss	1.98	(6.28)	0.73	(3.57)
- to other comprehensive income	(1.08)	-	-	(1.08)
As at 31 March, 2024	4.89	(107.17)	13.14	(89.14)
(Changed)/Credited:				
- to profit and loss	(1.64)	(7.64)	(12.21)	(21.49)
- to other comprehensive income	1.29	-	-	1.29
As at 31st march, 2025	4.54	(114.81)	0.93	(109.34)

10 OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good		
Capital Advances	14.38	17.66
Prepaid Expenses	1.25	-
Balance with Government Authorities (GST Receivable Elcina)	12.19	-
Total	27.82	17.66

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

11 INVENTORIES (AT COST OR NET REALIZABLE VALUE WHICHEVER IS LOWER)

Particulars	As at March 31, 2025	As at March 31, 2024
Inventories		
Raw Materials	621.67	519.96
Raw Materials in transit	72.99	30.03
	694.66	549.99
Work-in-progress	197.61	192.63
Finished goods	153.37	93.21
Stores and Spares	31.14	32.88
Total	1,076.78	868.71

During the year ended 31st March, 2025 ₹ 1.10 Million (31st March, 2024 ₹ 1.27 Million) was recognized as an expenses for inventories valued at net realisable value.

Refer note 20 for details of inventories pledged

12 CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Quoted Investments		
Investments in Mutual Funds	666.78	613.20
Total	666.78	613.20

Detail of Current Financial Assets - Investments

Particulars	As at March 31, 2025		As at March 31, 2024	
	Units	Amount	Units	Amount
Financial assets carried at fair value through statement of profit or loss (FVTPL)				
Investments in mutual funds - Quoted Investment				
HDFC Group Unit Linked Plan Option B	97,258	8.69	97,079	8.02
Nippon India Corporate Bond Fund- Direct Plan Growth Plan- Growth Option	84,06,563	516.69	84,06,563	474.11
Nippon India Arbitrage Fund - Direct Growth Plan Growth Option	50,14,794	141.40	50,14,794	131.07
Total Current Investments at FVTPL		666.78		613.20
Aggregate book value of quoted investments		666.78		613.20
Aggregate market value of quoted investments		666.78		613.20
Aggregate amount of impairment in value of investments		-		-

13 TRADE RECEIVABLES (CARRIED AT AMORTIZED COST)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables		
Unsecured, considered good	1,454.44	1,298.04
Receivables from related parties (refer note 39)	128.38	104.68
Trade Receivables - credit impaired	2.46	1.40
Less: expected credit loss allowance	(2.46)	(1.40)
Total	1,582.82	1,402.72

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Movement in the expected credit loss allowance of trade receivables are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the Beginning of the year	1.40	1.53
Add: Provided during the period/year	1.06	(0.13)
Less: Amount written off	-	-
Balance at the end of the period/year	2.46	1.40

Impairment Allowance (allowance for bad and doubtful debts)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	2.46	1.40
	2.46	1.40

13.1 Trade Receivables Ageing Schedule:

Particulars	As at March 31, 2025	As at March 31, 2024
Undisputed Trade receivables – considered good		
Outstanding for following periods from due date of payment		
Current but not due	1,243.85	1,051.00
Less than 6 months	333.00	350.01
6 months - 1 year	5.47	1.24
1 -2 years	0.50	0.43
2 -3 years	-	0.04
More than 3 years	-	-
Total	1,582.82	1,402.72
Undisputed Credit impaired		
Outstanding for following periods from due date of payment		
Current but not due	0.62	0.96
Less than 6 months	0.74	0.34
6 months - 1 year	0.74	0.00
1 -2 years	0.36	0.05
2 -3 years	-	0.00
More than 3 years	-	0.05
Total	2.46	1.40
Total Trade Receivable	1,585.28	1,404.12

13.2 There are no disputed balances of Trade Receivables as at March 31, 2025 and March 31, 2024.**13.3** No trade receivable or advances are due from directors or other officers of the Company either severally or jointly with any other person. No trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member.**13.4** Trade receivables are non interest bearing and are generally on terms of 45 to 115 days.**13.5** There is no unbilled receivables hence same is not disclosed in ageing schedule**14 CASH & CASH EQUIVALENTS**

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with banks in current account	0.11	0.68
Cheques, drafts on hand	-	0.30
Cash on hand	0.54	1.10
Total	0.65	2.08

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

15 OTHER BANK BALANCES

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with Bank		
- In Monitoring Agency & Escrow Account	-	12.08
- In Unpaid Dividend Account	0.12	0.12
- Deposit with banks (Original maturity more than three months but less than twelve months*)	310.00	-
Total	310.12	12.20

*Above Bank deposits included temporary deposits of unutilized IPO proceeds of ₹ 24.41 Million (P.Y. Nil) and amount of ₹ 13.00 Million (P.Y. Nil) are held as margin money/securities with banks.

16 OTHER CURRENT FINANCIAL ASSETS (CARRIED AT AMORTIZED COST)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good and measured at amortized cost unless otherwise stated		
Interest accrued on deposits	21.57	26.44
Deposit with original maturity of more than 12 months*	0.07	322.33
Loan to Related parties	3.50	-
Loans & Advances to Staff & Workers**	9.97	11.59
Total	35.11	360.36

** Above Bank deposits included temporary deposits of unutilized IPO proceeds of ₹ Nil (P.Y. ₹ 236.92 Mn) and amount of ₹ 0.07 Million (P.Y. ₹ 12.33 Mn) are held as margin money/securities with banks.

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

17 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Current Tax Liabilities		
Income Tax Provisions (net of Advance Income Tax and TDS of ₹ 48.02 Million)	6.23	3.93

18 OTHER CURRENT ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Balance with Government Authorities	9.09	19.70
Gratuity fund balance (refer note 34)	0.51	1.27
Advance to Suppliers	39.59	64.91
Export Incentive recoverable*	0.09	0.17
Prepaid Expenses	21.31	4.60
Total	70.59	90.65

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

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

19 A. SHARE CAPITAL**(i) Authorised Share Capital**

Particulars	Equity Share Capital	
	No of Shares	Amount
As at 1st April, 2023	10,00,00,000	500.00
Increase during the year	-	-
As at 31st March, 2024	10,00,00,000	500.00
Increase during the year	-	-
As at 31st March, 2025	10,00,00,000	500.00

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

Particulars	Equity Share Capital	
	No of Shares	Amount #
As at 1st April, 2023	4,96,59,220	248.30
Add: Shares issued during the year	-	-
Less: Share bought back during the year	-	-
As at 31st March, 2024	4,96,59,220	248.30
Add: Shares issued during the year	-	-
Less: Share bought back during the year	-	-
As at 31st March, 2025	4,96,59,220	248.30

(iii) Terms/right attached to equity shares

The Company has one class of shares having a face value of ₹ 5/- per equity share. The Company declares and pay dividends in indian rupees. The dividend proposed by the board of directors is subject to the approvals of the shareholders in ensuing Annual General Meeting. Each holders of equity shares is entitled to one vote per equity share held in the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

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

Name of Shareholder	As at 31 st March, 2025	As at 31 st March, 2024
Late Suman Sethia	-	27,24,535
	-	5.49%
Kishore Sethia	25,07,763	25,07,763
	5.05%	5.05%
Kamal Sethia	45,76,700	-
	9.22%	-

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

(v) Disclosures of Shareholding of promoters

Promoter Name	Shares held at March 31, 2025		Shares held at March 31, 2024		Change during the year	% Change during the year ended March 31, 2025
	Nos. of Shares	% of Total Shares	Nos. of Shares	% of Total Shares		
Kamal Sethia	45,76,700	9.22%	15,68,991	3.16%	30,07,709	6.06%
Late Suman Sethia	-	0.00%	27,24,535	5.49%	(27,24,535)	(5.49%)
Kishore Sethia	25,07,763	5.05%	25,07,763	5.05%	-	0.00%
Vasudha Sethia	8,28,954	1.67%	7,43,654	1.50%	85,300	0.17%
Gaurav Sethia	22,31,236	4.49%	21,51,236	4.33%	80,000	0.16%
Vinay Kumar Sethia	5,87,850	1.18%	4,68,250	0.94%	1,19,600	0.24%
Sanjeev Sethia	10,41,500	2.10%	9,41,500	1.90%	1,00,000	0.20%
Sumit Sethia	6,55,804	1.32%	5,94,734	1.20%	61,070	0.12%

* Change is computed based on the equity holding % as at end of current year vis-à-vis previous year.

B. OTHER EQUITY

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(i) Retained Earnings	2,039.04	1,837.32
(ii) Securities Premium	1,689.76	1,689.76
(iii) General Reserve	483.73	483.73
(iv) Share based payment reserve	1.89	-
(v) Components of Other Comprehensive Income		
a. Changes in fair value of FVOCI equity instruments	(0.10)	(0.10)
b. Remeasurement of defined benefit plans	37.60	41.43
Total	4,251.92	4,052.14

Nature and Purpose of Reserve

- Securities premium is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- General reserve is the free reserve created out of the retained earnings of the Company. The reserve can be utilized in accordance with the provision of the Companies Act, 2013.
- Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.
- The share based payment reserve account is used to recognise the grant date fair value of options issued to employee under employee stock option plan.

(i) Retained Earnings

Particulars	Amount
As at 1st April, 2023	1,759.59
Add: Net profit for the year	127.39
Less: Utilized for payment of Final Dividend	(49.66)
As at 31st March, 2024	1,837.32
Add: Net profit for the year	201.72
Less: Utilized for payment of Final Dividend	-
As at 31st March, 2025	2,039.04

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

(ii) Other Reserves

Particulars	Securities Premium	General Reserve	Share based payment reserve
As at 1st April, 2023	1,689.76	483.73	-
Increase during the year	-	-	-
Decrease during the year	-	-	-
As at 31st March, 2024	1,689.76	483.73	-
Share based payment (Note 47)	-	-	1.89
Decrease during the year	-	-	-
As at 31st March, 2025	1,689.76	483.73	1.89

(iii) Components of Other Comprehensive Income

Particulars	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans
As at 1st April, 2023	(0.10)	38.23
Increase during the year	-	3.20
Decrease during the year	-	-
As at 31st March, 2024	(0.10)	41.43
Increase during the year	-	-
Decrease during the year	-	3.83
As at 31st March, 2025	(0.10)	37.60

20 CURRENT BORROWINGS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
At amortized cost		
Borrowings - Loans repayable on demands		
Secured		
from banks - Working Capital	113.01	7.29
Total	113.01	7.29

Notes:

- Working Capital loan of Company is secured by exclusive first pari passu charge on entire stock of Raw material, Work-in-Progress, Finished Goods, Consumable Stores, Book Debts and other current assets of the company, both present and future. These loans are further secured by second pari passu charge over the entire movable Property Plant and Equipment of the Company, other and immovable Property Plant and Equipment of the Company by equitable mortgage of properties situated at Ghaziabad and Goa and personal guarantee of the four Directors of the Company.
- The Company has availed working capital loan from HDFC Bank, CITI Bank and ICICI bank is repayable on demand bearing a floating interest rate on HDFC Loan 3 Month Tbill+1.76% (Effective Rate 8.31%), Interest rate on ICICI Bank Loan 3M MCLR + Spread @0.05% (Effective Rate 8.70%) and Fixed interest rate on CITI Bank loan @ 9%.
- The Company has satisfied all the covenants prescribed in terms of borrowings.
- The company has not defaulted on repayment of any loans.

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

21 TRADE PAYABLES (CARRIED AT AMORTIZED COST)**21(a) Supplier's credit**

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Supplier's credit	-	20.18
Total	-	20.18

Suppliers' Credit is availed by company from domestic banks at interest rate Current year N/A (31 March 2024: 8.00% - 8.49%) per annum. These trade credits are largely repayable within 90 days from the date of draw down.

21(b) Trade Payables (Carried at amortised cost)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Trade Payables	-	-
Total Outstanding Dues of Micro and Small Enterprises (refer note 35)	160.32	186.33
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	815.77	581.37
Total	976.09	767.70

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

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Total Outstanding Dues of Micro and Small Enterprises		
Outstanding for following periods from the due date of payment		
Unbilled	-	-
Not Due	160.29	184.36
Less than 1 year	0.03	1.97
1 -2 years	-	-
2 -3 years	-	-
More than 3 years	-	-
Total	160.32	186.33
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		
Outstanding for following periods from the due date of payment		
Unbilled	14.15	4.36
Not Due	746.89	470.70
Less than 1 year	53.50	106.28
1 -2 years	0.97	0.03
2 -3 years	0.26	-
More than 3 years	-	-
Total	815.77	581.37

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

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

21(b).4 For Trade payable to related parties refer Note 39.

22 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unpaid Dividends (refer note 15)*	0.12	0.12
Employee Benefit payable	85.18	87.57
Total	85.30	87.69

* No amount due and outstanding to be credited to Investor Education and Protection Fund.

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

23 OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Advances from Customers*	36.30	63.88
Statutory Dues payable	57.09	52.80
Total	93.39	116.68

*Goods to be supplied in the next financial year.

24 CURRENT PROVISIONS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provisions for Employee Benefits		
Provision for compensated absences (refer note 34)	18.03	19.44
Provision - Others*	19.14	14.38
Total	37.17	33.82

*Included provision for sales related obligations

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

Particulars	Provision for compensated absences	Provision -Others*
As at 1st April, 2023	15.84	12.70
Addition during the year	5.85	14.11
Utilization / reversal during the year	(2.25)	(12.43)
As at 31st March, 2024	19.44	14.38
Addition during the year	2.91	13.31
Utilization / reversal during the year	(4.32)	(8.55)
As at 31st March, 2025	18.03	19.14

25 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of Products	9,141.16	8,084.74
Sale of Services	27.92	23.46
Other Operating Revenues		
- Scrap sale	279.95	243.33
- Export Incentives	0.44	0.47
Total	9,449.47	8,352.00

25.1 Contract Balances

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Receivables, which are included in 'trade receivables'	1,582.82	1,402.72
Advances received from customers	36.30	63.88

25.2 Disaggregated information by primary geographical market

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Location		
India	9,412.95	8,327.74
Outside India	36.08	23.79
Total revenue from contracts with customers*	9,449.03	8,351.53

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

25.3 Timing of revenue recognition

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Goods Transferred at a point of time	9,421.11	8,328.07
Service transferred over time	27.92	23.46
Revenue from contracts with customers*	9,449.03	8,351.53

* Excluding export incentives

25.4 Set out below is the amount of revenue recognized from

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amounts included in contract liabilities at the beginning of the year	63.88	44.35
Performance obligations satisfied in previous years	-	-

25.5 Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contracted price (as invoiced)	9,515.56	8,401.78
Adjustments		
Provision for sales related obligations	(13.31)	(14.11)
Sales return	(53.22)	(36.14)
Revenue from contracts with customers*	9,449.03	8,351.53

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

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

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

26 OTHER INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Other non-operating income		
Interest Income from financial assets at amortised cost		
- On Fixed Deposits with Banks	24.70	74.68
- On Others	12.27	4.91
Gain on sale of current investments measured at FVTPL	-	3.74
Fair value gain on Financial Instruments at fair value through profit or loss	53.58	5.77
Provision for bad and doubtful debts written back	-	0.13
Gain on disposal of Property, Plant and Equipments (net)	10.32	-
Foreign exchange fluctuation Gain (Net)	1.11	0.50
Miscellaneous Income	0.72	0.47
Total	102.70	90.20

27 COST OF MATERIAL CONSUMED

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year	582.87	670.01
Add : Purchases during the year	6,727.80	5,719.37
	7,310.67	6,389.38
Less: Inventory at the end of the year	725.80	582.87
Total material consumed	6,584.87	5,806.51

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

28 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN PROGRESS AND STOCK-IN TRADE

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year		
Finished Goods	93.21	145.14
Work in process	192.63	202.72
	285.84	347.86
Less: Inventory at the end of the year		
Finished Goods	153.37	93.21
Work in process	197.61	192.63
	350.98	285.84
Net (increase)/ decrease in opening and closing stock	(65.14)	62.02

29 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages, bonus and allowances	1,303.16	1,124.31
Contribution to Provident and other funds (Refer Note 34)	69.74	68.97
Gratuity and other defined benefit plans	16.46	28.24
Share based payments (Refer Note 47)	1.89	-
Staff welfare expenses	12.02	13.83
Total	1,403.27	1,235.35

30 FINANCE COSTS

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on financial liabilities measured at amortized cost :		
- on borrowings	3.96	20.00
- on lease liabilities (Refer Note 33)	0.43	0.50
- on bill discounting	56.01	53.49
- other Interest cost	0.05	0.08
Other borrowing cost	1.83	3.25
Total	62.28	77.32

31 OTHER EXPENSES

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Power and Fuel Charges	167.16	153.94
Carriage Inwards Expenses	28.63	26.62
Processing Charges	248.61	229.62
Consumption of stores and spares	43.73	55.07
Testing Calibration and Development Charges	7.99	16.19
Repairs and Maintenance	86.85	86.79
Advertisement & Sales promotion	1.39	1.38
Carriage & Octroi (Outward)	46.91	34.02
Rent (Refer Note 33)	13.63	11.59
Rates and Taxes	3.25	4.01
Payments to Auditors		
- Statutory Audit Fees (Including Limited review)	4.50	4.58
- Other Services	0.24	0.06
- Out of Pocket expenses	0.29	0.14

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Legal and Professional Fee	28.20	12.36
Communication Costs	2.88	2.83
Traveling and Conveyance Expenses	21.15	18.68
Vehicle Running & Maintenance	17.88	19.07
Insurance	10.89	10.10
Provision for bad and doubtful debts	1.06	-
Sitting Fees to non-executive directors (refer note 39)	0.72	0.83
Corporate Social Responsibility Expenses (Refer Note 41)	6.45	6.76
Loss on disposal of property, plant and equipment (net)	-	2.19
Property, plant and equipment written off	-	8.77
Miscellaneous Expenditure	32.34	28.96
Total	774.75	734.58

* excluding Professional fee of ₹ Nil (Previous year ₹7.50 Million) paid to the Statutory Auditors of the Company towards IPO.

32 EARNING PER SHARE (EPS)

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Basic & Diluted Earnings per share :		
Profit for the year	201.72	127.39
Profit attributable to ordinary shareholders (A)	201.72	127.39
Weighted average number of ordinary shares (B)	4,96,59,220	4,96,59,220
Face value per Share	₹ 5/-	₹ 5/-
Earnings per share - Basic (A/B) - ₹	4.06	2.57
Weighted average number of ordinary shares in calculating diluted EPS ('C)	4,96,77,177	4,96,59,220
Earnings per share - Diluted (A/C) - ₹	4.06	2.57
Weighted average number of equity shares for Basic EPS*	4,96,59,220	4,79,25,220
Effect of Dilution:		
Share Options	17,957	-
Weighted average number of equity shares adjusted for the effect of dilution*	4,96,77,177	4,79,25,220

*The weighted average number of shares taken into account the weighted average effect of changes in treasury share transactions during the year.

33 DISCLOSURE WITH RESPECT TO IND AS 116 - LEASES**Company as a leasee**

The Company has lease contracts for several industrial lands. These lease arrangements ranges for a period between 48 years to 96 years and includes escalation clause. The Company also has leases for warehouse premises with lease terms of 12 months or less and leases of low value. The Company has applied the 'short term lease' and 'lease of low-value-assets' recognition exemption for these leases.

The carrying amount of right-of-use assets recognized and the movement during the year in disclosure in Note 3

The carrying amount of lease liabilities and the movement during the year is given below

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balance as at beginning of the year	5.16	5.15
Additions	-	-
Payment of lease liabilities	(0.27)	(0.50)
Accretion of interest	0.43	0.51
Balance as at end of the year	5.32	5.16
Current Liabilities	0.06	0.06
Non-Current Liabilities	5.26	5.10

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Such lease liabilities are related to Leasehold lands having maturity period of more than 5 year. The maturities analysis of lease liabilities is disclosed in Note 42. Lease liability has been discounted using the lessee's incremental borrowing rate. There are no variable lease payments.

The effective interest rate for lease liabilities is 8% and 8.75%, with maturity between 2059 to 2111.

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Expenses relating to short-term leases and/or leases of low-value items (Refer Note 31)	13.63	11.59
Interest on lease liabilities (Refer Note 30)	0.43	0.51
Depreciation expense (Refer Note 3)	0.05	0.08
Total	14.11	12.18

The Company had total cash outflows for leases of ₹ 13.90 Millions (31st March, 2024: ₹ 12.09 Millions)

34 THE COMPANY HAS RECOGNIZED THE FOLLOWING AMOUNTS IN THE STANDALONE FINANCIAL INFORMATION AS PER IND AS - 19 "EMPLOYEES BENEFITS":
A) Defined Contribution Plan

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Employer's Contribution to Provident Fund (Refer Note 29)	57.58	56.58
Employer's Contribution to Employee State Insurance (Refer Note 29)	9.60	10.51
Employer's Contribution to National Pension Scheme (Refer Note 29)	2.56	1.88

b) Defined Benefit Plan

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

The employees' gratuity fund scheme is managed by Kotak Mahindra Life Insurance Limited, Bajaj Allianz Life Insurance Co. Ltd, Tata Aia Life Insurance Co Ltd and Reliance Nippon Life Insurance Co. Ltd. which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Actuarial assumptions

Particulars	Gratuity (Funded)		Leave Encashment	
	31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
Discount rate (per annum)	6.75%	7.20%	6.75%	7.20%
Attrition Rate	4.00%	4.00%	4.00%	4.00%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%
Average remaining working lives of employees (Years)	22.28	23.21	-	-
Retirement age (years)	58.00	58.00	58.00	58.00
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14

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

Present value of obligation as at the beginning of the year	159.36	132.83	19.44	15.84
Interest Cost	11.47	9.90	1.40	1.21
Current Service Cost	13.61	12.70	2.13	15.28
Benefits paid	(22.16)	(8.39)	(4.32)	(2.25)
Actuarial (gain)/ loss on obligations	6.79	12.32	(0.62)	(10.64)
Present value of obligation as at the end of the year	169.07	159.36	18.03	19.44

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

Fair value of plan assets at beginning of the year	160.64	138.27	8.02	7.43
Actual return of plan assets	11.57	10.30	0.58	0.56
Employer contribution	18.50	14.50	4.32	2.25
Benefits paid	(22.16)	(8.40)	(4.32)	(2.26)
Actuarial gain/ (loss) on obligations	1.05	5.96	0.10	0.03
Fair value of plan assets at the end of year	169.60	160.63	8.70	8.01

Other Comprehensive Income

Actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-
Actuarial gains and losses arising from changes in financial assumptions	8.62	134.41	(3.37)	0.13
Remeasurement (Gain)/ Loss arising from Experience Adjustment	(1.83)	(122.09)	2.75	(10.77)
changes in the effect of limiting a net defined benefit asset to the asset ceiling, excluding amounts included in interest.	(1.05)	(5.96)	-	0.03
Actuarial (gain) / loss recognized in OCI	5.74	6.36	(0.62)	(10.61)

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	Gratuity (Funded)		Leave Encashment	
	31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
The amounts to be recognized in Standalone Statement of Assets and Liabilities:				
Present value of obligation as at the end of the year	169.07	159.36	18.03	19.44
Fair value of plan assets as at the end of the year	169.60	160.63	8.70	8.01
Net (asset)/ liability recognized in Standalone Ind AS Balance Sheet	(0.53)	(1.27)	9.33	11.43
Expenses recognized in Standalone Statement of Profit and Loss :				
Current service cost	13.61	12.70	2.13	15.29
Net Interest Cost	(0.10)	(0.40)	0.82	0.65
Expenses recognized in the Standalone statement of profit and loss	13.51	12.30	2.95	15.94

Sensitivity analysis of the defined benefit obligation:

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

Particulars	Gratuity (Funded)		Leave Encashment	
	31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
Impact of the change in Discount Rate				
Present Value of Obligation at the end of the year	169.07	159.36	18.03	19.44
Impact due to increase of 1%	(12.13)	(10.75)	(0.89)	(0.85)
Impact due to decrease of 1%	14.06	12.45	1.21	1.30
Impact of the change in Withdrawal Rate				
Present Value of Obligation at the end of the year	169.07	159.36	18.03	19.44
Impact due to increase of 1%	1.68	1.94	0.30	0.36
Impact due to decrease of 1%	(1.92)	(2.21)	(0.12)	(0.12)
Impact of the change in salary increase				
Present Value of Obligation at the end of the year	169.07	159.36	18.03	19.44
Impact due to increase of 1%	13.18	11.74	1.20	1.23
Impact due to decrease of 1%	(11.62)	(10.37)	(0.71)	(0.80)

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

Maturity profile of defined benefit obligation:

Year 1	17.75	25.67	8.08	9.38
Year 2	16.89	11.09	0.95	0.72
Year 3	15.48	15.29	0.81	0.99

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	Gratuity (Funded)		Leave Encashment	
	31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
Year 4	21.27	14.19	1.03	0.88
Year 5	15.62	19.50	1.03	1.11
Year 6 to 10	64.09	61.62	3.79	4.55
Estimated amount of contribution to gratuity in the immediate next year is ₹ 13.94 Million (31 st March, 2024 ₹ 13.12 Million)				
Investment Details				
Funds managed by Insurance Companies	167.85	159.95	8.69	8.02
Cash / Bank Balance	1.74	0.69	-	-

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

35 INFORMATION REQUIRED TO BE FURNISHED AS PER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (THE ACT):

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

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1. Principal amount remaining unpaid to micro & small enterprises*	160.32	186.33
2. Interest due on above	-	0.01
3. Interest paid during the period beyond the appointed day	-	-
4. Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
5. Amount of interest accrued and remaining unpaid at the end of the period	-	0.01
6. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

36 COMMITMENTS AND CONTINGENCIES

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

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(i) Unexpired Letters of Credit	11.04	28.27
(ii) Guarantees given by banks on behalf of the Company	62.54	79.42
(iii) Claims against the Company not acknowledged as debt		
- Sales tax matters	0.60	0.60
- Goods and service tax matters	2.59	2.59
- Custom duty matters	1.26	1.26
- Employees related matters	10.01	8.22

Notes:

- The Company's pending litigations comprise of claims against the Company and proceedings pending with Government Authorities. The Company has reviewed all its pending litigations and proceedings and believes that they have sufficient and strong arguments on facts as well as on point of law and accordingly no provision has been considered in the financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

- ii) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, The Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.
- iii) The Company does not have outstanding term derivative contracts as at the end of respective years.
- iv) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company at the end of respective years.

(b) Capital Commitments

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	19.46	52.94

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

38 RESEARCH & DEVELOPMENT (R&D) EXPENDITURE

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Revenue Expenditure	96.16	82.60
Capital Expenditure	0.88	1.10
Total	97.04	83.70

38.1 Capital expenditure incurred on R&D is included in the Property Plant and Equipment and depreciation is provided on the same at respective applicable rates.

38.2 Revenue expenditure incurred on R&D has been shown under respective Expense head in the Statement of Profit and loss.

39 "RELATED PARTY DISCLOSURES" AS REQUIRED BY IND AS - 24 :**(i). Name and description of related parties.**

Relationship	Name of Related Party	
(a) Wholly Owned Subsidiary:	Elin Appliances Private Limited	
(a) Key management personnel :	Sh. M.L. Sethia	(Chairman)
	Sh. Kamal Sethia	(Managing Director)
	Sh. Sanjeev Sethia	(Whole Time Director - EMS)
	Sh. Sumit Sethia	(Whole Time Director - Goa Operation)
	Sh. Kishore Sethia	(Key Managerial Personal)
	Sh. Raj Karan Chhajer	(Chief Financial Officer)
	Ms.Lata Rani Pawa	(Company Secretary and Compliance Officer)
	Sh.Praveen Tandon	(Chief Executive Officer) (w.e.f. 17 th April, 2025)
	Sh. Kamal Singh Baid	(Non Executive Independent Director) (Ceased w.e.f. 30 th March, 2025)
	Ms. Shilpa Baid	(Non Executive Independent Director)
	Sh. Shantilal Sarnot	(Non Executive Independent Director)

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Relationship	Name of Related Party	
	Sh. Ashis Chandra Guha	(Non Executive Independent Director)
	Ms. Priyanka Jain	(Non Executive Independent Director) (w.e.f. 8 th February, 2025)
(b) Relative of Key management personnel :	Smt. Kanika Sethia	
	Late Suman Sethia	
	Smt. Vasudha Sethia	
	Smt. Kanchan Sethia	
	Sh.Vijay Singh Sethia	
	Smt. Shweta Sethia	
	Sh.Sushil Kumar Sethia	
(c) Post Employment Benefit Plans	Elin Electronics Limited Employees Gratuity Fund	
(d) Enterprises owned or Significantly influenced by key management personnel or their relatives.	Kanchan Commercial Co. Pvt. Ltd.	
	Magtronic Devices Pvt. Ltd.	
	Sethia Oil Industries Limited	
	Kamal Sethia & Sons HUF	
	Vijay Singh Sethia And Sons HUF	
	Sushil Kumar Sethia & Sons HUF	

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

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

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchases/receiving of Goods & services		
Elin Appliances Private Limited	2.59	0.98
Sales/rendering of Goods and Materials		
Elin Appliances Private Limited	416.64	327.69
Purchase of Property, Plant and Equipment		
Elin Appliances Private Limited	-	3.36
Sale of Property, Plant and Equipment		
Elin Appliances Private Limited	0.12	13.36
Income - Rent /Other income		
Magtronic Devices Pvt. Ltd.	0.36	0.36
Elin Appliances Private Limited	0.36	0.12
Expenses - Rent /Other expenses		
Kanchan Commercial Co. Pvt.Ltd.	0.60	0.60
Elin Appliances Private Limited	3.84	3.84
Closing Balances of Receivables		
Elin Appliances Private Limited	128.38	104.68
Closing Balances of Payable		
Elin Appliances Private Limited	0.14	-
Contribution towards Gratuity Liabilities		
Elin Electronics Limited Employees Gratuity Fund	18.50	14.50

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Loan to Key Management Personnel		
Sh.Praveen Tandon	12.00	-
Loan repaid by Key Management Personnel		
Sh.Praveen Tandon	3.67	-
Sitting Fees to non-executive directors		
Short term employee benefits		
Sh. Kamal Singh Baid	0.30	0.32
Ms. Shilpa Baid	0.17	0.22
Sh. Shantilal Sarnot	0.17	0.17
Sh. Ashis Chandra Guha	0.08	0.12
Remuneration of Key Management Personnel *		
Sh. M.L. Sethia	3.64	3.64
Sh. Kamal Sethia	8.74	8.48
Sh. Kishore Sethia	8.74	8.48
Sh. Sanjeev Sethia	8.74	8.48
Sh. Sumit Sethia	9.02	9.32
Sh Raj Karan Chhajer	2.78	2.53
Ms.Lata Rani Pawa	1.43	1.30
ESOP		
Sh. Praveen Tandon	1.89	-
Dividend paid to Key Management Personnel		
Sh. Kamal Sethia	-	1.53
Sh. Kishore Sethia	-	2.51
Sh. Sanjeev Sethia	-	0.94
Sh. Sumit Sethia	-	0.59
Dividend paid to Relatives of Key Management Personnel		
Kanika Sethia	-	0.15
Late Suman Sethia	-	2.72
Vasudha Sethia	-	0.74
Kanchan Sethia	-	0.69
Vijay Singh Sethia	-	0.38
Shweta Sethia	-	0.08
Sushil Kumar Sethia	-	0.32
Kamal Sethia & Sons HUF	-	0.18
Vijay Singh Sethia and Sons HUF	-	0.02
Sushil Kumar Sethia & Sons HUF	-	0.01
Payable of Sitting Fees to non-executive directors		
Sh. Kamal Singh Baid	0.09	0.12
Ms. Shilpa Baid	0.06	0.06
Sh. Shantilal Sarnot	0.05	0.08
Sh. Ashis Chandra Guha	0.04	0.05
Payable to Key Management Personnel (Remuneration)		
Sh. Sumit Sethia	0.46	0.35
Receivable from Key Management Personnel (Loan)		
Sh.Praveen Tandon	8.33	-

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

Terms and conditions of transactions with related parties :

- The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions.

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March, 2024: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

40 SEGMENT REPORTING

The Company is engaged in manufacturing of Electronics Manufacturing items. The Board of directors of Elin Electronics Limited takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker. During the year under consideration, the Company operated in a single primary segment in manufacturing of Electronics Manufacturing Services.

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

Geographical Information**ACCORDINGLY THE COMPANY HAS DISCLOSED SEGMENT INFORMATION**

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

Information by Geographical	For the year ended March 31, 2025	For the year ended March 31, 2024
i. Revenue from external customers		
India	9,412.95	8,327.74
Outside India	36.08	23.79
Total revenue*	9,449.03	8,351.53
ii. Non-current operating assets**		
India	2,123.47	1,992.04
Outside India	-	-
Total	2,123.47	1,992.04
iii. Addition to property, plant and equipment and intangible assets		
India	430.00	156.60
Outside India	-	-
Total	430.00	156.60

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

**Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, capital work-in-progress, capital advances and intangible assets.

c. Information about major customers (from external customers)

Revenue of approximately ₹ 3,591 Millions 38% (FY 2023-2024: ₹ 3,542 Millions 42%) are from 2 external customers (FY 2023-2024: 2 Nos.) external customers which individually accounted for more than 10%.

41 CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Gross amount required to be spent by the Company during the year	6.38	6.69
b) Amount approved by the Board to be spent during the year	6.38	6.69

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
c) Amount spent during the year ending:		
In cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above*	6.45	6.76
Yet to be paid in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-
Unspent amount deposited in separate bank account		
d) Details related to spent / unspent obligations		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust / other CSR activities undertaken by the Company	6.45	6.76
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
Total unspent amount	-	-
The Company during the year executed following project under Corporate Social Responsibility:		
i) Promotion of Education (Other than ongoing project)		
ii) On promoting health care including preventive health care and sanitation (Other than ongoing project)		
iii) Protection of flora and fauna, animal welfare (Other than ongoing project)		
iv) On promoting National & Rural Sports (Other than ongoing project)		
v) Protection of National Heritage, art and culture		
Details of ongoing project and other than ongoing project		
In case of Section 135(6) (Ongoing project)		
Opening Balance		
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
Amount required to be spent during the year	-	-
Amount spent during the year		
- From Company's bank A/c*	-	-
- From Separate CSR Unspent A/c	-	-
Closing Balance		
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
In case of Section 135(5) (Other than ongoing project)		
Opening Balance	-	-
Amount deposited in Specified Fund of Sch. VII within 6 months	-	-
Amount required to be spent during the year	6.38	6.69
Amount spent during the year	6.45	6.76
Closing Balance	-	-

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

42 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The management has the overall responsibility for the establishment and oversight of the Company's risk

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

42.1 Financial Instruments by category

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

Particulars	As at 31 st March, 2025			As at 31 st March, 2024		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
(i) Investments- Equity Instruments (level 2) (Non Current)						
- Non Current	-	14.00	-	-	14.00	-
(ii) Investments- Mutual Funds (level 1) (Current)						
- Current	666.78	-	-	613.20	-	-
(iii) Trade receivables	-	-	1,582.82	-	-	1,402.72
(iv) Cash and cash equivalents	-	-	0.65	-	-	2.08
(v) Bank balances other than (iv) above	-	-	310.12	-	-	12.20
(vi) Loans	-	-	-	-	-	-
(vii) Other Financial Assets						
- Non Current	-	-	25.75	-	-	56.07
- Current	-	-	35.11	-	-	360.36
Total financial assets	666.78	14.00	1,954.45	613.20	14.00	1,833.43
Financial liabilities						
(i) Borrowings						
- Non Current	-	-	-	-	-	-
- Current (including current maturities of long term borrowings)	-	-	113.01	-	-	7.29
(ii) Lease Liabilities	-	-		-	-	
- Non Current			5.26			5.10
- Current			0.06			0.06
(iii) Supplier's credit	-	-	-	-	-	20.18
(iv) Trade payables	-	-	976.09	-	-	767.70
(v) Other financial liabilities	-	-	85.30	-	-	87.69
Total Financial liabilities	-	-	1,179.72	-	-	888.02

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

purposes in these Standalone financial statements is determined on such a basis that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

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

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

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

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

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

Fair value hierarchy

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

Particulars	Fair value hierarchy	As at 31 st March, 2025	As at 31 st March, 2024
Financial assets			
Non current investments - unquoted	Level III	14.00	14.00
Current investments - quoted	Level I	666.78	613.20

Valuation Process

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

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

Significant estimates:

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

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

42.2 Management of Financial Risk**A. Liquidity risk**

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

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

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

	Notes	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
As at 31st March, 2025						
Borrowings (excluding lease liabilities)	20	113.01	113.01	-	-	113.01
Lease Liabilities	30	5.32	0.38	1.95	41.06	43.39
Supplier's credit	21(a)	-	-	-	-	-
Trade payables	21(b)	976.09	976.09	-	-	976.09
Other financial liabilities	22	85.30	85.30	-	-	85.30
As at 31st March, 2024						
Borrowings (excluding lease liabilities)	20	7.29	7.29	-	-	7.29
Lease Liabilities	33	5.16	0.38	1.93	41.46	43.77
Supplier's credit	21(a)	20.18	20.18	-	-	20.18
Trade payables	21(b)	767.70	767.70	-	-	767.70
Other financial liabilities	22	87.69	87.69	-	-	87.69

B. MARKET RISK

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

i) Interest Rate Risk

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

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

a. Interest rate risk exposure

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Financial assets		
Variable rate borrowings	113.01	7.29
Fixed rate borrowings	-	-

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

b. Sensitivity Analysis

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

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

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Impact on profit & loss for the year	1.13	0.07
Impact on total equity as at the end of reporting year	0.85	0.05

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

ii) Currency risk

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

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

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

Particulars		As at 31 st March, 2025	As at 31 st March, 2024
Trade payable	USD/₹	72.01	78.03
	Amount in FC	0.84	0.94
	JPY/₹	0.65	0.71
	Amount in FC	1.14	1.28
	CNY/₹	30.53	-
	Amount in FC	2.60	-
Trade receivable	USD/₹	6.70	11.67
	Amount in FC	0.08	0.14

Foreign currency sensitivity analysis:

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

Impact on Profit or Loss		As at 31 st March, 2025	As at 31 st March, 2024
₹ strengthens by 5%	USD Impact	3.27	3.32
	JPY Impact	0.03	0.04
	CNY Impact	1.53	-
₹ weakening by 5%	USD Impact	(3.27)	(3.32)
	JPY Impact	(0.03)	(0.04)
	CNY Impact	(1.53)	-

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

iii) Commodity price risk

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

C. Credit Risk

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

Trade Receivables

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

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 45. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. An impairment analysis is performed at each reporting date for all customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 13.

As at 31st March, 2025

Ageing	0-180 days	181-365 days	More than 365 days	Total
Gross Carrying amount	1,578.21	6.21	0.86	1,585.28
Expected loss rate	0.09%	11.92%	41.86%	
Expected credit losses (loss allowance provision)	1.36	0.74	0.36	2.46
Carrying amount of trade receivables (net of impairment)	1,576.85	5.47	0.50	1,582.82

As at 31st March, 2024

Ageing	0-180 days	181-365 days	More than 365 days	Total
Gross Carrying amount	1,402.31	1.24	0.57	1,404.12
Expected loss rate	0.09%	0.10%	17.77%	
Expected credit losses (loss allowance provision)	1.30	0.00	0.10	1.40
Carrying amount of trade receivables (net of impairment)	1,401.01	1.24	0.47	1,402.72

Financial instruments and cash deposits

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

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

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

43 CAPITAL MANAGEMENT

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

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

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Gross Debt	113.01	7.29
Less : Cash and Cash equivalents (Note 14)	0.65	2.08
Net Debt (A)	112.36	5.21
Total Equity (B)	4,500.22	4,300.44
Net Debt to Equity Ratio (A/B)	0.02	0.00

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

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

44 TAX RECONCILIATION

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

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Profit or loss section		
Current tax	50.00	50.30
Adjustment of tax relating to earlier period	(0.37)	4.65
Deferred Tax	21.48	(0.42)
Income tax expense reported in the statement of profit and loss	71.11	54.53
OCI section		
Tax expense on items that will not be reclassified to profit or loss	1.29	(1.08)
	1.29	(1.08)

Reconciliation between average effective tax rate and applicable tax rate

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit as per standalone statement of profit and loss (before tax)	272.83	181.92
Income tax using the Company's domestic tax rate @ 25.168%	68.67	45.79
Adjustments in respect of current income tax of previous years	(0.37)	4.65
Non-deductible expenses for tax purposes:		
Impact of taxable of Capital gain at lower rate	-	0.16
Non deductible expenses	2.81	3.93
Total	71.11	54.53

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

45 RATIO ANALYSIS AND ITS ELEMENTS

Ratios/Measure	Numerator	Denominator	31 st March, 2025	31 st March, 2024	Variation
a) Current ratio	Current Assets	Current Liabilities	2.85	3.23	(11.61%)
b) Debt equity ratio	Net Debt (including lease liabilities)	Shareholder's Equity	0.03	0.00	985.62%
c) Debt service coverage ratio	Earnings for debt service	Total Debt	405.11%	5518.94%	(92.66%)
d) Return on equity %	Net Profits after taxes	Average Shareholder's Equity	4.58%	2.99%	53.30%
e) Inventory turnover ratio	Cost of goods sold	Average Inventory	7.03	6.37	10.26%
f) Trade receivables turnover ratio	Revenue from operations	Average Trade Receivable	6.33	5.87	7.86%
g) Trade payables turnover ratio	Net credit purchases	Average Trade Payables	8.08	6.57	23.03%
h) Net capital turnover ratio	Revenue from operations	Working capital	388.61%	361.16%	7.60%
i) Net profit %	Net Profit	Revenue from operations	2.13%	1.53%	39.96%
j) Return on capital employed %	Earnings before interest and taxes	Capital Employed	7.10%	5.90%	20.35%
k) Return on investment	Interest (Finance Income)	Average Investment	13.85%	20.08%	(31.05%)

Notes:-

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

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

Working Capital implies Current Assets less Current Liabilities.

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

Net credit purchases = Gross credit purchases - purchase return

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

Explanation for variances exceeding 25%

Schedule III requires explanation where the change in the ratio is more than 25% as compared to the preceding year; hence explanation is given only for the said ratios.

b) Debt equity ratio is increased due to increase in borrowings.

c) Debt service coverage ratio is reduced due to increase in borrowings during the year.

d, i, j) Due to higher profitability, Return on equity and Net Profit ratio have increased.

k) Return on Investment is reduced due to lower return on Mutual fund.

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

46 OTHER STATUTORY INFORMATION

- i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vii) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- viii) The Company does not have any other charges or satisfaction as on 31st March, 2025 which is yet to be registered with ROC beyond the statutory period.
- ix) Quarterly returns/statements of current assets filed by the Company with banks are in agreement with the books of account.
- x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- (xi) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- xii) The Company does not have any transactions with companies which are struck off.

47 EMPLOYEE SHARE BASED PAYMENT PLAN

The Company provides share-based payment scheme to its selected employees whereby selected employees are granted with the right to obtain Elin Electronics Limited's shares. During the year ended 31st March, 2025, an Employee Stock Option Plan was introduced. In the Board meeting held on 30th May, 2024, the Board of Directors ("Board") has approved the Elin Employees Stock Option Plan 2024 ('ESOP 2024') and grant of options to the selected employees of the Company under the Scheme are made in the current year. The Details of the scheme are explained in the table below:

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

During the Year ended 31st March, 2025, the Company has granted 2,50,000 (31st March, 2024: NIL) employee stock options ("ESOP") as per scheme approved by Board of Directors, at an exercise price of ₹ 78.00 per option. Further, no options has been exercised in the Year ended 31st March, 2025. Total ESOP outstanding as at 31st March, 2025 are 2,50,000 (31st March, 2024 : Nil). The vesting period of the ESOP is ranging from 1.25 years to 4.25 years. The granted options can be exercised after vesting at any time before the expiry of 6 months from vesting date. An amount of ₹ 1.89 Million (31st March, 2024: NIL) has been recorded for the year ended 31st March, 2025 as employee benefits expense, as the proportionate cost of ESOP granted.

a) Employee stock option scheme**The Company had the following outstanding share based payment arrangements:**

Particulars	31 st March, 2025	31 st March, 2024
No. of Options	250000	-
Method of Accounting	Fair Value	-
Vesting Date	8 th February, 2026 to 8 th February, 2029	-
Exercise Period on initiation of exercise period	8 th August, 2026 to 8 th August, 2029	-
Grant Date	8 th February, 2025	-
Exercise price per share (₹)	78	-
Market price on the date of grant (₹)	157.31	-
Method of settlement	Equity Shares	-

b) The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	31 st March, 2025		31 st March, 2024	
	Weighted Average Price (₹)	Number of options	Weighted Average Price (₹)	Number of options
Outstanding as at 1 th April, 2024	-	-	-	-
Options granted during the year	78.00	2,50,000	-	-
Options forfeited during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options expired during the year	-	-	-	-
Options outstanding as at 31 st March, 2025	78.00	2,50,000	-	-
Exercisable at the end of the year	78.00	2,50,000	-	-

c) Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the year ended 31st March, 2025:

Particulars	31 st March, 2025	31 st March, 2024
	ESOP	ESOP
Weighted average fair values at the measurement date	157.31	-
Dividend yield (%)	1%	-
Expected volatility (%)	41.30% to 45.7%	-
Risk-free interest rate (%)	6.67% to 6.74%	-
Expected life of share options (years)	1.25 to 4.25	-
Weighted average share price (₹)	90.13	-
Model used	Black Scholes Pricing	-

Notes to Standalone Financial Statements for the year ended 31st March, 2025 (Contd.)

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

48 INITIAL PUBLIC OFFERING (IPO)

The Company has completed Initial Public Offer (IPO) of 1,92,30,746 equity shares comprising a fresh issue of 70,85,020 equity shares and offer for sale by selling shareholders of 1,21,45,726 equity shares of face value of ₹ 5 each at premium of ₹ 242 per share aggregating to ₹ 4,750.00 Million. Pursuant to the IPO, the equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with effect from 30th December, 2022.

Detail of Utilisation of IPO Proceeds is as under:

Item Head	Estimated net proceeds as per Prospectus	Revised Net Proceeds	Utilized upto 31 st March, 2025	Unutilized as on 31 st March, 2025*
Repayment/ prepayment, in full or part, of certain borrowings availed of by our Company	880.00	880.00	880.00	-
Funding capital expenditure towards upgrading and expanding our existing facilities at (i) Ghaziabad, Uttar Pradesh and (ii) Verna, Goa	375.89	375.89	351.48	24.41
General corporate purposes@	395.63	395.63	395.63	-

@adjusted based on the final share of company's issue expenses.

*IPO proceeds which were unutilized as at 31st March, 2025 were temporarily retained in the Fixed Deposits.

49 The Company has used an accounting software SAP HANA Web Version – Public Cloud which is operated by a third-party software service provider, for maintaining its books of account. The Company is not maintaining the back-up of books of account in servers physically located in India on a daily basis from 1st April, 2024 to 31st March, 2025 in compliance to the Rule 3 of the Companies (Account) Rules, 2014 as backups are performed by the SAP at planned intervals.

50 The Company has used an accounting software SAP HANA Web Version – Public Cloud which is operated by a third-party software service provider, for maintaining its books of account. Audit trail feature is not covered in SOC 1 Type 2 report for the year FY 2024-25 to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of an accounting software where the audit trail has been enabled.

Additionally, audit trail feature is not covered in SOC 1 Type 2 report, we are unable to assess whether the audit trail has been preserved as per the statutory requirements for record retention.

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

Divya Mathur
Partner
Membership No.: 506846

Place : Gurgaon
Date : 26th May, 2025

For and on behalf of the Board of Directors

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

M.L. Sethia
Chairman
DIN: 00081367

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 26th May, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Elin Electronics Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Elin Electronics Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit

of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matters	How our audit addressed the key audit matter
Revenue Recognition – Cut off (as described in Note 2.8 of the consolidated financial statements)	
Revenue from the sale of goods is recognized at the moment when control has been transferred to the customer and is measured net of trade discounts, rebates and pricing allowances to customers. The timing of revenue recognition is relevant to the reported performance of the Company. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being recognized before control has been transferred.	Our audit procedures included the following: • We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. • We tested on a sample basis, key customer contracts to identify terms and conditions relating to transfer of control. • We performed substantive testing by selecting samples of revenue transactions recorded during the year by testing the underlying documents which included invoices, good dispatch notes, customer acceptances and shipping documents (as applicable). • We carried out analytical procedures on revenue recognized during the year to identify unusual variances. • We tested, on a sample basis, specific revenue transactions recorded closer to the year end and after the financial year end date to determine whether the revenue had been recognized in the appropriate period.

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

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

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

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

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the

Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

INDEPENDENT AUDITOR'S REPORT (Contd.)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

INDEPENDENT AUDITOR'S REPORT (Contd.)

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books except that with respect to Holding Company and its Subsidiary Company as disclosed in note 49 to the consolidated financial statements, (a) the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis and (b) for the matters stated in the paragraph 2 (i) (vi) below on reporting under Rule 11(g)
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under section 143(3)(b) and paragraph 2 (i) (vi) below on reporting under Rule 11(g)
 - (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company and its subsidiary incorporated in India for the year ended March 31, 2025;
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us, as noted in the 'Other matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 35 to the consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2025;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary,

INDEPENDENT AUDITOR'S REPORT (Contd.)

incorporated in India during the year ended March 31, 2025.

- iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on

behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) No dividend has been declared or paid during the year by the Holding Company and its subsidiary
- iv) Based on our examination which included test checks, and as explained in note 50 to the consolidated financial statement. The Holding Company and its subsidiary has used accounting software which is operated by a third-party software service provider, for maintaining its books of account. Since, the verification of audit trail feature is not covered in the SOC 1 Type 2 report, we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of an accounting software.

Additionally, for the reasons stated in note 50 to the Consolidated financial statements, we are unable to comment whether the audit trail has been preserved by the Holding Company and its Subsidiary as per the statutory requirements for record retention.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Divya Mathur

Partner

Membership Number: 506846

UDIN: 25506846BMNTED1071

Place of Signature: Gurugram

Date: May 26, 2025

ANNEXURE 1 referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: Elin Electronics Limited (‘the Holding Company’)

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

xxi. There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Per Divya Mathur

Partner

Membership Number: 506846

UDIN: 25506846BMNTED1071

Place of Signature: Gurugram

Date: May 26, 2025

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF Elin Electronics Limited

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

In conjunction with our audit of the consolidated financial statements of Elin Electronics Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

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

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material

ANNEXURE (Contd.)

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

OPINION

In our opinion, the Group, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at

March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

—
per Divya Mathur

Partner

Membership Number: 506846

UDIN: 25506846BMNTED1071

Place of Signature: Gurugram

Date: May 26, 2025

Consolidated Balance Sheet

as at 31st March, 2025

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

Particulars	Notes	As at 31 st March, 2025	As at 31 st March, 2024
Assets			
Non-current Assets			
(a) Property, Plant and Equipment	3	2,458.34	2,230.16
(b) Capital work-in-progress	4	33.20	119.39
(c) Intangible assets	5	2.14	5.80
(d) Financial Assets			
(i) Investments	6	14.82	14.74
(ii) Other Financial Assets	7	26.32	56.76
(e) Other non-current assets	9	47.60	31.15
Total Non Current Assets		2,582.42	2,458.00
Current Assets			
(a) Inventories	10	1,279.33	1,105.28
(b) Financial Assets			
(i) Investments	11	672.04	618.10
(ii) Trade receivables	12	2,265.33	1,994.41
(iii) Cash and cash equivalents	13	0.75	2.22
(iv) Bank balances other than (iii) above	14	310.12	12.51
(v) Other Financial Assets	15	35.92	361.04
(c) Current Tax Assets (net)	16	0.04	0.81
(d) Other current assets	17	131.67	139.84
Total Current Assets		4,695.20	4,234.21
Total Assets		7,277.62	6,692.21
Equity and Liabilities			
Equity			
(a) Equity Share Capital	18	243.52	239.63
(b) Other Equity	18	5,098.26	4,791.36
Total Equity		5,341.78	5,030.99
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	32	5.26	5.10
(b) Deferred tax liabilities (Net)	8	134.22	111.92
Total Non Current Liabilities		139.48	117.02
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	235.24	114.76
(ii) Lease Liabilities	32	0.06	0.06
(iii) Supplier's credit	20(a)	51.69	77.08
(iv) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	20(b)	244.93	272.73
- total outstanding dues of creditors other than micro enterprises and small enterprises	20(b)	1,001.64	812.45
(v) Other financial liabilities	21	96.43	98.89
(b) Other current liabilities	22	117.14	124.63
(c) Provisions	23	43.00	39.67
(d) Current Tax liabilities (Net)	16	6.23	3.93
Total Current Liabilities		1,796.36	1,544.20
Total Liabilities		1,935.84	1,661.22
Total Equity and Liabilities		7,277.62	6,692.21
The accompanying notes form an integral part of the consolidated financial statements	1-50		

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

Divya Mathur
Partner
Membership No.: 506846

Place : Gurgaon
Date : 26th May, 2025

For and on behalf of the Board of Directors

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

M.L. Sethia
Chairman
DIN: 00081367

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 26th May, 2025

Consolidated Statement of Profit & Loss

for the year ended 31st March, 2025

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

Particulars	Note No(s)	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
I INCOME			
Revenue from operations	24	11,802.06	10,417.17
Other Income	25	183.44	91.07
Total Income (I)		11,985.50	10,508.24
II EXPENSE			
Cost of Material Consumed	26	8,488.09	7,439.76
Purchases of stock-in-trade		323.09	183.61
Change in inventories of finished goods, work-in progress and stock-in-trade	27	(57.68)	82.78
Employee benefits expense	28	1,664.37	1,479.72
Finance Costs	29	75.83	81.16
Depreciation & amortization expenses	3, 5	246.12	218.49
Other Expenses	30	860.53	825.89
Total Expenses (II)		11,600.35	10,311.40
III Profit before tax (I - II)		385.15	196.83
IV Tax expenses	43		
- Current tax		68.60	52.40
- Adjustment of tax relating to earlier period		0.45	4.46
- Deferred Tax		22.88	1.23
Total tax expenses		91.93	58.09
V Profit for the year (III-IV)		293.22	138.74
VI Other comprehensive Income (OCI):			
Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) of defined employee benefit plans		(2.31)	12.30
Tax expense on items that be reclassified to profit or loss		0.58	(3.10)
Items that will be reclassified to profit or loss			
Gain/(Loss) on Equity Instruments designated through OCI		0.08	-
Tax expense on items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year after tax		(1.65)	9.20
VII Total comprehensive income for the year net of tax (V + VI)		291.57	147.94
VIII Earnings per share from continuing and total operations attributable to the equity holders of the Company [face value of ₹ 5/- each]	31		
- Basic and diluted (amount in ₹)		6.11	2.90
The accompanying notes form an integral part of the consolidated financial statements	1-50		

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

Divya Mathur
Partner
Membership No.: 506846

Place : Gurgaon
Date : 26th May, 2025

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Chairman
DIN: 00081367

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 26th May, 2025

Consolidated Statement of Cash Flows

for the year ended 31st March, 2025

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
I. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax	385.15	196.83
Adjustments for :		
Depreciation and amortization expense	246.12	218.49
(Gain) / loss on disposal of property, plant and equipment (net)	(10.32)	11.20
Fair value (gain) on financial assets held at fair value through profit or loss	(53.94)	(6.08)
(Gain) on sale of current investments measured at FVTPL	(74.58)	(3.74)
Provision for doubtful debt (written back) / written off	1.17	(0.01)
Unrealized Foreign exchange fluctuation Gain (Net)	(1.84)	(0.59)
Dividend and interest income	(41.88)	(79.66)
Share based payments to employees	1.89	-
Finance costs	75.83	81.16
	142.45	220.77
Change in operating assets and liabilities :		
(Increase) / decrease in trade and other receivable	(255.21)	0.21
(Increase)/ decrease in Inventories	(174.05)	128.99
Increase/ (decrease) in trade and other payables	134.99	(82.92)
	(294.27)	46.28
Cash generated from operations	233.33	463.88
Income taxes paid (net)	(65.97)	(37.20)
Net cash generated from operating activities	167.36	426.68
II Cash flow from Investing activities		
Purchase of property, plant and equipment including capital work in progress and capital advance	(405.53)	(330.53)
Proceeds from grant on property, plant and equipment	-	55.85
Proceeds from sale of property, plant and equipment	28.75	29.07
Proceeds from sale of Current Investment	91.92	256.43
Purchase of Current Investment	-	(600.00)
Purchase of Non Current Investment	-	(14.00)
Fixed deposits made during the year	(297.12)	(2.98)
Fixed deposits matured during the year	322.30	901.85
Decrease in loan to other	-	1.60
Dividends received	0.04	0.04
Interest received	45.99	66.95
Net Cash generated from / (used in) investing activities	(213.65)	364.28
III Cash flow from Financing Activities		
Proceeds from borrowings	120.48	-
(Repayment) of borrowings	-	(663.71)
Payment of Dividend	-	(47.81)
Interest on lease liabilities	(0.27)	(0.27)
Principal payment of lease liabilities	(0.00)	(0.23)
Finance Costs paid	(75.39)	(80.66)
Net Cash generated from / (used in) financing activities	44.82	(792.68)

Consolidated Statement of Cash Flows for the year ended 31st March, 2025

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
IV Net (decrease) in cash & cash equivalents (I + II + III)	(1.47)	(1.73)
V Cash and cash equivalents at the beginning of the year	2.22	3.94
VI Cash and cash equivalents at end of the year	0.75	2.22

Notes:

1	The Consolidated Statement of Cash flow has been prepared under the indirect method as set-out in the Ind AS - 7 "Statement of Cash Flow" as specified in the Companies (Indian Accounting Standards) Rules, 2015.	
2	Figures in bracket indicate cash outflow.	
3	Cash and cash equivalents (refer Note 13) comprise of the followings:	
	Cash on hand	1.24
	Cheques in hand	0.30
	Balances with Scheduled banks in Current accounts	0.68
	Balances per statement of cash flows	2.22
4	Analysis of movement in borrowings	
	Borrowings at the beginning of the year	778.47
	Cash flows	(663.71)
	Non cash changes	-
	Borrowings at the end of the year	114.76

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

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

Divya Mathur
Partner
Membership No.: 506846

Place : Gurgaon
Date : 26th May, 2025

For and on behalf of the Board of Directors

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

M.L. Sethia
Chairman
DIN: 00081367

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 26th May, 2025

Consolidated Statement of Changes in Equity

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

A. EQUITY SHARE CAPITAL

Particulars	Amount [#]
Balance as at 1 st April, 2023	239.63
Issue of Share Capital	-
Balance as at 31 st March, 2024	239.63
Issue of Share Capital	-
Share Sold by Subsidiary	3.90
Balance as at 31 st March, 2025	243.52

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

B. OTHER EQUITY

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Share based payment reserve	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans	
Balance as at 1 st April, 2023	1,689.76	217.95	471.01	2,259.79	-	0.44	52.40	4,691.35
Profit for the year	-	-	-	138.74	-	-	9.20	147.94
Utilized for payment of Final Dividend	-	-	-	(47.93)	-	-	-	(47.93)
Balance as at 31 st March, 2024	1,689.76	217.95	471.01	2,350.60	-	0.44	61.60	4,791.36
Profit for the year	-	-	-	293.22	-	0.08	(1.73)	291.57
Utilized for payment of Final Dividend	-	-	-	-	-	-	-	-
Transfer	-	(5.78)	5.78	-	-	-	-	-
Share based payment (Note 46)	-	-	-	-	1.89	-	-	1.89
Adjustment on account of sale of shares held by subsidiary company	-	-	13.44	-	-	-	-	13.44
Balance as at 31 st March, 2025	1,689.76	212.17	490.23	2,643.82	1.89	0.52	59.87	5,098.26

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

Divya Mathur
Partner
Membership No.: 506846

Place : Gurgaon
Date : 26th May, 2025

For and on behalf of the Board of Directors

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajer
Chief Financial Officer
PAN: AAAPC0561C

M.L. Sethia
Chairman
DIN: 00081367

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 26th May, 2025

Material Accounting Policies

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

1. CORPORATE INFORMATION

Elin Electronics Limited ('the Company' or the "Parent Company") was incorporated in India on 26th March, 1982 under the provisions of the Companies Act, 1956 (CIN L29304DL1982PLC428372). The Group is engaged in the business of Electronics Manufacturing Services. Its share are listed on two recognized stock exchanges in India. The registered office of the Company is located at 4771, Bharat Ram Road, 23, Daryaganj, New Delhi-110002 (India) and manufacturing plants in the state of Uttar Pradesh, Himachal Pradesh and Goa.

The Consolidated Financial Statement comprises of Elin Electronics Limited and its 100% subsidiary, Elin Appliances Private Limited, (collectively, 'the Group').

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

Changes in accounting policies and disclosures:-

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

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

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

The amendments had no impact on the Group's consolidated financial statements.

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

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

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

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

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

The Group previously recognized for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1st April, 2022.

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

2. MATERIAL ACCOUNTING POLICIES

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

2.1 Basis of Preparation

2.1.1 Statement of compliance

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

Material Accounting Policies

(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

accepted in India. The Group has consistently applied accounting policies to all periods.

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

2.1.2 Historical Cost Convention

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

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

Functional and presentation currency

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

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its 100% subsidiary as at 31st March, 2025.

The detail of consolidated entity as follows:

Name of Subsidiary	Country of Incorporation	Percentage of ownership	
		As at 31 st March, 2025	As at 31 st March, 2024
Elin Appliances Private Limited	India	100%	100%

Summary of material accounting policies**2.3 Current vs non-current classification**

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

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e. year end on 31st March.

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle

Material Accounting Policies

(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

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

The Group classifies all other assets as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

2.4 Property plant and equipment

Recognition and Initial Measurement

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

Cost of asset includes:

- Purchase price, net of any trade discounts and rebates

- Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use
- Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

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

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

Subsequent measurement

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

Depreciation and useful lives

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

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

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

Material Accounting Policies

(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

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

Derecognition

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

2.5 Intangible assets

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

2.6 Impairment of non-financial assets

At each reporting date, the Group assesses, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash- generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable

amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories are recognized in the Consolidated Statement of Profit and loss.

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

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

2.7 Inventories

- a) Inventories (including traded goods) are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:
 - Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
 - Finished goods and intermediate products (including manufactured components): Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on first in, first out basis.

Material Accounting Policies

(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

- Stores and spares, consumables and packing materials cost includes direct expenses and is determined on the basis of first in first out method.

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

2.8 Revenue recognition

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

a) Sale of products and Services

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

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

Sales-related obligation associated with sale of goods cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Company accounts for such

obligation in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

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

b) Other Operating Revenue

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

c) Other Revenue

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

d) Contract balances

- **Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.
- **Trade receivables:** A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Material Accounting Policies

(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

- **Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

e) Right of return

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

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

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

2.9 Taxes

Tax expense comprises current tax expense and deferred tax.

a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised

outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment.

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

b) Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

Material Accounting Policies

(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

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

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

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

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

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

2.10 Foreign currencies

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

Foreign currency monetary items outstanding at the reporting date are converted to functional currency using the closing rate (Closing selling rates for

liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

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

2.11 Employee benefit

a) Short-term employee benefits

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

b) Post-employment benefits

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

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

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

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum

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(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Group makes periodic contributions to the Kotak Mahindra Life Insurance Limited, Bajaj Allianz Life Insurance Co. Ltd, Tata Aia Life Insurance Co Ltd and Reliance Nippon Life Insurance Co. Ltd. for the Gratuity Plan in respect of employees.

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

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

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

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

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

c) Other long-term employee benefits

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

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

d) Share based payments - Employee Stock Option Scheme ('ESOP')

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

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options determined under Black-Scholes model. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium. If the options are forfeited or not exercised after vesting date, related expenses already recognized in statement of profit and loss are not reversed but transferred to other component within equity.

Material Accounting Policies

(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

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

2.12 Cash and cash equivalents

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

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

2.13 Borrowing Cost

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

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

2.14 Provisions, contingent assets and contingent liabilities

a) Provisions

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting

is used, the increase in the provision due to the passage of time is recognized as a finance cost.

b) Warranties

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

c) Contingent liabilities

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

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

d) Contingent assets

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

2.15 Leases

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

a) Group as a lessee

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

i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and

Material Accounting Policies

(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated over the shorter of the lease term and the estimated useful lives of the assets.

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

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

ü) Lease liabilities

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

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After

the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in financial liabilities

iii) Short term lease and leases of low value assets

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

iv) Single discount rate

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

b) Group as a lessor

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

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2.16 Financial instruments

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

a) Financial assets

Initial recognition and measurement

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

Classification and subsequent measurement

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

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

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

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

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

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL.

For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI – equity investment). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

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

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

Financial assets at amortised cost

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

Financial assets at FVTPL

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

Equity investments at FVOCI

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

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(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

Impairment of financial assets

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

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

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

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

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the

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

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

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

Derecognition of financial assets

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

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

b) Financial liabilitiesInitial recognition and measurement

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

Subsequent measurement

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

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(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

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

The Group has not designated any financial liabilities at FVTPL.

(ii) Financial liabilities at amortized cost

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

Derecognition of financial liabilities

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

c) Reclassification of financial assets and liabilities

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

d) Offsetting of financial instruments

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

2.17 Fair value measurement

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

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

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

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

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

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

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

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

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

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

2.18 GST Credit

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

2.19 Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined

independently for each period presented. The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the Consolidated Financial statements by the Board of Directors.

2.20 Segment reporting

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

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

2.21 Government grants

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

2.22 Consolidated Statement of Cash Flows

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

2.23 Significant accounting estimates and judgments

The estimates used in the preparation of the Consolidated Financial Statements of each period/ year presented are continuously evaluated by the Group and are based on historical experience and

Material Accounting Policies

(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

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

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

Significant judgements

- **Allowances for uncollected trade receivables**

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

- **Contingencies**

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

- **Impairment of other financial assets**

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

- **Taxes**

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

- **Recoverability of deferred taxes**

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

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

Material Accounting Policies

(All amounts are in ₹ Million, unless otherwise stated) (Contd.)

- **Impairment of non-financial assets**

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

Significant estimates

- **Defined benefit plans**

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

- **Useful lives of property, plant and equipment and intangible assets**

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

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

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

- **Determining the lease term of contracts with renewal and termination options – Group as lessee**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the

lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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

- **Fair value measurement of financial instruments**

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

- **Warranties**

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

2.24 Exceptional Items

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2025
(All amounts are in ₹ Millions, unless otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and Machinery	Building	Dies, Moulds & Tools	Electrical Installations	Furniture and Fixtures	Office Equipment's	Computers	Vehicles	Land (Leasehold)	Land (Freehold)	Right-of-use-assets	Total
Gross Carrying Value												
Balance as at 1 st April, 2023	1,785.19	967.00	360.74	232.03	56.35	15.34	36.73	65.93	221.96	21.30	3.89	3,766.46
Additions	97.43	4.95	81.21	24.42	2.28	1.37	6.42	8.77	-	-	-	226.85
Disposals	54.67	-	6.34	29.83	-	0.23	0.34	6.30	-	-	-	97.71
Capital Subsidy Received (Refer footnote 1)	31.15	21.64	0.35	1.86	0.85	-	-	-	-	-	-	55.85
Balance as at 31st March, 2024	1,796.80	950.31	435.26	224.76	57.78	16.48	42.81	68.40	221.96	21.30	3.89	3,839.75
Additions	199.15	97.11	152.19	12.33	7.35	3.11	4.31	13.50	-	-	-	489.05
Disposals	26.83	-	19.61	0.63	-	-	0.08	1.56	-	-	-	48.71
Balance as at 31st March, 2025	1,969.12	1,047.42	567.84	236.46	65.13	19.59	47.04	80.34	221.96	21.30	3.89	4,280.09
Accumulated depreciation												
Balance as at 1 st April, 2023	791.18	329.15	93.48	110.38	37.20	10.50	27.14	34.19	20.62	-	0.04	1,453.88
Depreciation charge for the year	118.51	24.43	35.71	15.37	2.91	1.75	5.52	6.03	3.51	-	0.08	213.82
Disposals	41.62	-	0.92	9.17	-	0.22	0.32	5.86	-	-	-	58.11
Balance as at 31st March, 2024	868.07	353.58	128.27	116.58	40.11	12.03	32.34	34.36	24.13	-	0.12	1,609.59
Depreciation charge for the year	116.57	25.39	64.14	15.95	2.86	1.69	5.31	7.00	3.49	-	0.05	242.45
Disposals	15.12	-	13.49	0.19	-	-	0.02	1.47	-	-	-	30.29
Balance as at 31st March, 2025	969.52	378.97	178.92	132.34	42.97	13.72	37.63	39.89	27.62	-	0.17	1,821.75

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	Plant and Machinery	Building	Dies, Moulds & Tools	Electrical Installations	Furniture and Fixtures	Office Equipment's	Computers	Vehicles	Land (Leasehold)	Land (Freehold)	Right-of-use-assets	Total
Net Carrying Value												
Balance as at 31st March, 2024	928.73	596.73	306.99	108.18	17.67	4.45	10.47	34.04	197.83	21.30	3.77	2,230.16
Balance as at 31st March, 2025	999.60	668.45	388.92	104.12	22.16	5.87	9.41	40.45	194.34	21.30	3.72	2,458.34

- In the previous year, The Group has received capital subsidy of ₹ 55.85 Million for investment during October, 2015 to March, 2018 in Capex in manufacturing plant at Plot No.C-142, 143, 144, 144/1, 144/2, Site No.1, Bulland Shahar Road, Ghaziabad, Uttar Pradesh, 201009 under Modified Special Incentive Package Scheme (M-SIPS) notified vide M-SIPS Policy Gazette Notification No. 175 dated 27th July, 2012 and revised from time to time till date from Ministry of Electronics and Information Technology (Meity) vide approval letter dt 26th March, 2024. The said amount has been adjusted to the carrying value of respective Property Plant and Equipments.
- Refer Note 19 for details of assets pledged.
- The Group had elected to continue with the carrying value of property, plant and equipment as recognized in the financial statements as per previous GAAP and had regarded those values as the deemed costs on the date of transition (i.e. 1st April, 2018).
- For contractual commitment related to property, plant and equipment - Refer Note 35(b).
- The Group has not revalued any property, plant and equipment in current financial year as well as previous year.

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

4 CAPITAL WORK-IN-PROGRESS (CWIP)

Particulars	Total
Balance as at 1 st April, 2023	0.91
Additions	119.39
Disposals	(0.91)
Balance as at 31 st March, 2024	119.39
Additions	29.28
Disposals	(115.47)
Balance as at 31 st March, 2025	33.20

4.1 Capital work-in-progress aging schedule**As at 31st March, 2025**

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	29.28	3.92	-	-	33.20
Projects temporarily suspended	-	-	-	-	-

As at 31st March, 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	119.39	-	-	-	119.39
Projects temporarily suspended	-	-	-	-	-

4.2 There are no capital work-in-progress projects whose completion is overdue or has exceeded its cost compare to its original plan during the financial year 2023-24 and 2024-25.

5 INTANGIBLE ASSETS

Particulars	Computer Software
Gross Carrying Value	
Balance as at 1 st April, 2023	25.11
Additions	-
Disposals	13.91
Balance as at 31 st March, 2024	11.20
Additions	-
Disposals	-
Balance as at 31 st March, 2025	11.20
Amortization	
Balance as at 1 st April, 2023	13.97
Amortization	4.67
Disposals	13.24
Balance as at 31 st March, 2024	5.40
Amortization	3.66
Disposals	-
Balance as at 31 st March, 2025	9.06
Net Carrying Value	
Balance as at 31 st March, 2024	5.80
Balance as at 31 st March, 2025	2.14

- The Group has not revalued any intangible assets in current financial year as well as previous year.
- The Group had elected to continue with the carrying value of intangible assets as recognized in the financial statements as per previous GAAP and had regarded those values as the deemed costs on the date of transition (i.e. 1st April, 2018).

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

6 NON-CURRENT INVESTMENTS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unquoted equity shares		
Investments - Non-Trade		
Investments in Equity instruments	14.82	14.74
Total	14.82	14.74

6.1 Detail of Non-Current Investments

Particulars	Elcina Electronics Cluster Pvt Ltd (Face Value ₹ 10/- each)*		Shivalik Waste Management Pvt Ltd (Face Value ₹ 10/- each)		Sunsure Solarpark Ten Private Ltd. (Face Value ₹ 10/- each)		Total Amount
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	
Financial assets measured at FVTOCI							
Investment in equity instruments - Equity Shares (Fully paid up)							
As at 31 st March, 2024	10,000	-	20,000	0.74	10,623	14.00	14.74
As at 31 st March, 2025	10,000	-	20,000	0.82	10,623	14.00	14.82

*The gross investment is Rs. 0.10 Mn which was fully impaired in previous years.

6.2. Additional Disclosures:

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Aggregate carrying value of unquoted investments	14.82	14.74

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

6.4. For Dividend Income, refer note 25

7 OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured, Considered Good and measured at amortized cost unless otherwise stated		
Bank deposits with remaining maturity of more than 12 months*	0.07	12.06
Interest Receivable	0.01	0.05
Loan to related parties**	3.82	-
Security Deposit	22.42	44.65
Total	26.32	56.76

* Above Bank deposits included amount of ₹ 0.07 Million (P.Y. ₹ 12.06 Mn) are held as margin money/securities with banks.

**The group has no loans and advances which are either repayable on demand or are without specifying any terms or period of repayment

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

8 DEFERRED TAX ASSETS / (LIABILITIES) (NET) - (REFER NOTE 43)

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

Particulars	Defined benefit obligation	Property, plant and equipment (Including Intangible Assets)	Provisions & others	Total
As at 1 April, 2023	4.86	(123.63)	15.18	(103.59)
(Changed)/Credited:				
- to profit and loss	3.97	(9.99)	0.79	(5.23)
- to other comprehensive income	(3.10)	-	-	(3.10)
As at 31 March, 2024	5.73	(133.62)	15.97	(111.92)
(Changed)/Credited:				
- to profit and loss	(0.94)	(9.53)	(12.41)	(22.88)
- to other comprehensive income	0.58	-	-	0.58
As at 31 March, 2025	5.37	(143.15)	3.56	(134.22)

9 OTHER NON-CURRENT ASSETS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured, Considered Good		
Capital Advances*	33.81	31.15
Prepaid Expenses	1.60	-
Balance with Government Authorities	12.19	-
Total	47.60	31.15

* Includes payment of ₹ 12.97 Million (P.Y ₹ 12.97 Mn) made for allotment of Land. Land has been allotted but possession and registration in the name of Subsidiary is pending.

Refer Note 19 for details of inventories pledged.

10 INVENTORIES (AT COST OR NET REALIZABLE VALUE WHICHEVER IS LOWER)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Inventories		
Raw Materials	761.81	650.78
Raw Materials in transit	87.75	80.05
	849.56	730.83
Work-in-progress	233.18	223.25
Finished goods	164.76	117.01
Stores and Spares	31.83	34.19
Total	1,279.33	1,105.28

During the year ended 31st March, 2025 ₹ 1.15 Million (31st March, 2024 ₹ 1.27 Million) were recognized as an expenses for inventories carried at net realisable value refer note 19 for inventory pledged.

11 CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Quoted Investments		
Investments in Mutual Funds	672.04	618.10
Total	672.04	618.10

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

Detail of Current Financial Assets - Investments

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	Units	Amount	Units	Amount
Financial assets carried at fair value through statement of profit or loss (FVTPL)				
Investments in mutual funds - Quoted Investment				
HDFC Group Unit Linked Plan Option B	1,60,853	13.95	1,60,580	12.91
Nippon India Corporate Bond Fund- Direct Plan Growth Plan- Growth Option	84,06,563	516.69	84,06,563	474.12
Nippon India Arbitrage Fund - Direct Growth Plan Growth Option	50,14,794	141.40	50,14,794	131.07
Total Current Investments at FVTPL		672.04		618.10
Aggregate book value of quoted investments		672.04		618.10
Aggregate market value of quoted investments		672.04		618.10
Aggregate amount of impairment in value of investments		-		-

12 TRADE RECEIVABLES (CARRIED AT AMORTIZED COST)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Trade Receivables		
Unsecured, considered good	2,265.33	1,994.41
Trade Receivables - credit impaired	3.27	2.10
Less: expected credit loss allowance	(3.27)	(2.10)
Total	2,265.33	1,994.41

Movement in the expected credit loss allowance of trade receivables are as follows:

Balance at the Beginning of the year	2.10	2.11
Add: Provided during the year	1.17	(0.01)
Less: Amount written off	-	-
Balance at the end of the year	3.27	2.10

Impairment Allowance (allowance for bad and doubtful debts)

Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	3.27	2.10
	3.27	2.10

12.1 Trade Receivables Aging Schedule:

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Undisputed Trade receivables – considered good		
Outstanding for following periods from the due date of payment		
Current but not due	1,840.71	1,558.72
Less than 6 months	418.65	433.98
6 months - 1 year	5.47	1.24
1 -2 years	-	0.43
2 -3 years	-	0.04
More than 3 years	-	-
Total	2,264.83	1,994.41

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Undisputed Trade receivable - Credit impaired		
Outstanding for following periods from the due date of payment		
Undisputed Trade receivable - Credit impaired		
Current but not due	1.01	1.56
Less than 6 months	1.16	0.44
6 months - 1 year	0.74	0.00
1 -2 years	0.36	0.05
2 -3 years	-	0.00
More than 3 years	-	0.05
Total	3.27	2.10
Total Trade Receivable	2,268.10	1,996.51

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

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

12.4 Trade receivables are non interest bearing and are generally on terms of 45 to 115 days.

12.5 There is no outstanding receivable form Related parties as on 31st March, 2025 and 31st March, 2024

12.6 There are no unbilled receivables hence the same is not disclosed in ageing schedule.

13 CASH & CASH EQUIVALENTS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balance with banks in current account	0.11	0.68
Cheques, drafts on hand	-	0.30
Cash on hand	0.64	1.24
Total	0.75	2.22

14 OTHER BANK BALANCES

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balances with Bank		
- In Monitoring Agency & Escrow Account	0.00	12.08
- In Unpaid Dividend Account	0.12	0.12
- Deposit with banks (Original maturity more than three months but less than twelve months*)	310.00	0.31
Total	310.12	12.51

* Above Bank deposits included temporary deposits of unutilized IPO proceeds of ₹ 24.41 Million (P.Y. Nil) and amount of ₹ 13.00 Million (P.Y. ₹ 0.31 Mn) are held as margin money/securities with banks.

15 OTHER CURRENT FINANCIAL ASSETS (CARRIED AT AMORTIZED COST)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured, considered good and measured at amortized cost unless otherwise stated		
Interest accrued on deposits	21.59	26.44
Deposit with original maturity of more then 12 months*	0.19	322.33
Loan to Related parties	3.50	-
Loans & Advances to Staff & Workers**	10.64	12.27
Total	35.92	361.04

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

*Above Bank deposits included temporary deposits of unutilized IPO proceeds of ₹ Nil (P.Y. ₹ 236.92 Mn) and amount of ₹ 0.19 Million (P.Y. ₹ 12.33 Mn) are held as margin money/securities with banks.

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

16 CURRENT TAX ASSETS / LIABILITIES

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Current Tax Assets		
Advance Income Tax and TDS (net of provisions of ₹ 18.60 Mn)	0.04	0.81
Current Tax Liabilities		
Income Tax Provisions (net of Advance Income Tax and TDS of ₹ 48.02 Million)	6.23	3.93

17 OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unsecured, considered good		
Balance with Government Authorities	15.54	26.16
Gratuity fund balance (refer note 33)	28.45	27.82
Advance to Suppliers	63.30	80.26
Export Incentive recoverable*	0.09	0.18
Prepaid Expenses	24.29	5.42
Total	131.67	139.84

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

18 A. SHARE CAPITAL**(i) Authorised Share Capital**

Particulars	Equity Share Capital	
	No of Shares	Amount
As at 1st April, 2023	10,00,00,000	500.00
Increase during the year	-	-
As at 31st March, 2024	10,00,00,000	500.00
Increase during the year	-	-
As at 31st March, 2025	10,00,00,000	500.00

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

Particulars	Equity Share Capital	
	No of Shares	Amount
As at 1st April, 2023	4,79,25,220	239.63
Add: Shares issued during the year	-	-
Less: Share bought back during the year	-	-
As at 31st March, 2024	4,79,25,220	239.63
Add: Shares issued during the year	-	-
Less: Share bought back during the year	-	-
Add: Share Sold by Subsidiary company	7,79,000	3.90
As at 31st March, 2025	4,87,04,220	243.52

*Elin Appliances Private Limited ('EAPL') is a wholly owned subsidiary ('WOS') of the Elin Electronics Limited (EEL). The subsidiary company held 17,34,000 shares in Elin Electronics Limited which were acquired in the form

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

of original shares, shares split and bonus shares consequent to it being a shareholder in Elin Electronics Limited before becoming a subsidiary of the Company.

During the year, EAPL disposed off 779,000 shares of EEL through open market transactions. This transaction led to a reduction in the portion of shareholding subject to elimination during the consolidation of financial statements. Consequently, the sale resulted in an increase in the share capital of Elin Electronics Ltd.

(iii) Terms/right attached to equity shares

The Parent Company has one class of shares having a face value of ₹ 5/- per equity share. The group declares and pay dividends in indian rupees. The dividend proposed by the board of directors is subject to the approvals of the shareholders in ensuing Annual General Meeting. Each holders of equity shares is entitled to one vote per equity share held in the Parent Company. On winding up of the Parent Company, the holders of equity shares will be entitled to receive the residual assets of the Parent Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

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

Name of Shareholder	As at 31 st March, 2025	As at 31 st March, 2024
Late Suman Sethia	-	27,24,535
	-	5.68%
Kishor Sethia	25,07,763	25,07,763
	5.15%	5.23%
Kamal Sethia	45,76,700	-
	9.40%	-

(v) Disclosures of Shareholding of promoters

Promoter Name	Shares held at 31 st March, 2025		Shares held at 31 st March, 2024		Change during the year	% Change during the year ended March, 2025
	Nos. of Shares	% of Total Shares	Nos. of Shares	% of Total Shares		
Kamal Sethia	45,76,700	9.40%	15,68,991	3.27%	30,07,709	6.12%
Late Suman Sethia	-	0.00%	27,24,535	5.68%	(27,24,535)	(5.68%)
Kishore Sethia	25,07,763	5.15%	25,07,763	5.23%	-	(0.08%)
Vasudha Sethia	8,28,954	1.70%	7,43,654	1.55%	85,300	0.15%
Gaurav Sethia	22,31,236	4.58%	21,51,236	4.49%	80,000	0.09%
Vinay Kumar Sethia	5,87,850	1.21%	4,68,250	0.98%	1,19,600	0.23%
Sanjeev Sethia	10,41,500	2.14%	9,41,500	1.96%	1,00,000	0.18%
Sumit Sethia	6,55,804	1.35%	5,94,734	1.24%	61,070	0.11%

*Change is computed based on the equity holding % as at end of current year vis-à-vis previous year.

B. OTHER EQUITY

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(i) Retained Earnings	2,643.82	2,350.60
(ii) Securities Premium	1,689.76	1,689.76
(iii) Capital Reserve (on consolidation)	212.17	217.95
(iv) General Reserve	490.23	471.01
(v) Share based payment reserve	1.89	-
(vi) Components of Other Comprehensive Income		
a. Changes in fair value of FVOCI equity instruments	0.52	0.44
b. Remeasurement of defined benefit plans	59.87	61.60
Total	5,098.26	4,791.36

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Nature and Purpose of Reserve

- Securities premium is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- General reserve is the free reserve created out of the retained earnings of the Group. The reserve can be utilised in accordance with the provision of the Companies Act, 2013.
- Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.
- Capital reserve is created out on account of amalgamation.
- The share based payment reserve account is used to recognise the grant date fair value of options issued to employee under employee stock option plan.

(i) Retained Earnings

Particulars	Amount
As at 1st April, 2023	2,259.79
Add: Net profit for the year	138.74
Less: Utilized for payment of Final Dividend	(47.93)
As at 31st March, 2024	2,350.60
Add: Net profit for the year	293.22
Less: Utilized for payment of Final Dividend	-
As at 31st March, 2025	2,643.82

(ii) Other Reserves

Particulars	Securities Premium	Capital Reserve	General Reserve	Share based payment reserve
As at 1st April, 2023	1,689.76	217.95	471.01	-
Increase during the year	-	-	-	-
Decrease during the year	-	-	-	-
As at 31st March, 2024	1,689.76	217.95	471.01	-
Share based payment (Note 46)	-	-	-	1.89
Adjustment on account of sale of shares held by subsidiary company	-	-	13.44	-
Transfer from Capital Reserve	-	-	5.78	-
Transfer to General Reserve	-	(5.78)	-	-
As at 31st March, 2025	1,689.76	212.17	490.23	1.89

(iii) Components of Other Comprehensive Income

Particulars	Changes in fair value of FVOCI equity instruments	Remeasurement of defined benefit plans
As at 1st April, 2023	0.44	52.40
Increase during the year	-	9.20
Decrease during the year	-	-
As at 31st March, 2024	0.44	61.60
Increase during the year	0.08	-
Decrease during the year	-	1.73
As at 31st March, 2025	0.52	59.87

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

19 CURRENT BORROWINGS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
At amortized cost		
Borrowings - Loans repayable on demands		
Secured		
From banks - Working Capital	235.24	114.76
Total	235.24	114.76

Notes:

- Working Capital loan of Holding Company is secured by exclusive first pari passu charge on entire stock of Raw material, Work-in-Progress, Finished Goods, Consumable Stores, Book Debts and other current assets of the Company, both present and future. These loans are further secured by second pari passu charge over the entire movable Property Plant and Equipment of the Company, other and immovable Property Plant and Equipment of the Company by equitable mortgage of properties situated at Ghaziabad and Goa and personal guarantee of the four Directors of the holding company.
- Working Capital loan of Subsidiary Company is secured by First pari paasu charge by way of mortgage of all Immovable Properties of Company situated at Belikhol, Tehsil Nalagarh, District Solan, Himachal Pradesh and hypothecation of Plant & Machinery, Equipments, Tools, Spares, Accessories and all other Assets, both present and in future. The Loan is further secured by Personal Guarantee of the two directors of the subsidiary company.
- The Company has availed working capital loan from HDFC Bank, CITI Bank and ICICI bank is repayable on demand bearing a floating interest rate on HDFC Loan 3 Month Tbill+1.76% (Effective Rate 8.31%), Interest rate on ICICI Bank Loan 3M MCLR + Spread @0.05% (Effective Rate 8.70%) and Fixed interest rate on CITI Bank loan @ 9%.
- The Group has satisfied all the covenants prescribed in terms of borrowings.
- The Group has not defaulted on repayment of any loans.

20 TRADE PAYABLES (CARRIED AT AMORTIZED COST)**20(a) Supplier's credit**

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Supplier's credit	51.69	77.08
Total	51.69	77.07

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

20(b) Trade Payables (Carried at amortised cost)

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Trade Payables	-	
Total Outstanding Dues of Micro and Small Enterprises (refer note 34)	244.93	272.73
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	1,001.64	812.45
Total	1,246.57	1,085.18

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

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

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Total Outstanding Dues of Micro and Small Enterprises		
Outstanding for following periods from the due date of payment		
Unbilled	-	-
Not Due	244.93	270.70
Less than 1 year	-	2.03
1 -2 years	-	-
2 -3 years	-	-
More than 3 years	-	-
Total	244.93	272.73
Total Outstanding Dues of Creditors other than Micro and Small Enterprises		
Outstanding for following periods from the due date of payment		
Unbilled	19.80	8.47
Not Due	914.77	652.15
Less than 1 year	65.81	151.53
1 -2 years	1.00	0.30
2 -3 years	0.26	-
More than 3 years	-	-
Total	1,001.64	812.45

20(b).2. There are no disputed balances of MSME or other than MSME as on March 31, 2025 and March 31, 2024

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

20(b).4 There are no trade payable to related parties.

21 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Unpaid Dividends (refer note 14)*	0.12	0.12
Employee Benefit payable	96.31	98.77
Total	96.43	98.89

* No amount due and outstanding to be credited to Investor Education and Protection Fund.

22 OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Advances from Customers*	38.90	63.92
Statutory Dues Payable	78.24	60.71
Total	117.14	124.63

*Goods to be supplied in the next financial year.

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

23 CURRENT PROVISIONS

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Provisions for Employee Benefits		
Provision for compensated absences (refer note 33)	21.36	22.79
Provision - Others*	21.64	16.88
Total	43.00	39.67

*Included provision for sales related obligations

Changes in provisions are as below:

Particulars	Provision for compensated absences	Provision -Others*
As at 1st April, 2023	19.32	15.20
Addition during the year	6.14	14.11
Utilization / reversal during the year	(2.67)	(12.43)
As at 31st March, 2024	22.79	16.88
Addition during the year	3.31	13.31
Utilization / reversal during the year	(4.74)	(8.55)
As at 31st March, 2025	21.36	21.64

24 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Sale of Products	11,484.78	10,145.96
Sale of Services	33.50	24.52
Other Operating Revenues		
- Scrap sale	283.34	246.21
- Export Incentives	0.44	0.48
Total	11,802.06	10,417.17

24.1 Contract Balances

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Receivables, which are included in 'trade receivables'	2,265.33	1,994.41
Advances received from customers	38.90	63.92

24.2 Disaggregated information by primary geographical market

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Location		
India	11,765.22	10,392.56
Outside India	36.40	24.13
Total revenue from contracts with customers*	11,801.62	10,416.69

24.3 Timing of revenue recognition

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Goods Transferred at a point of time	11,768.12	10,392.17
Service transferred over time	33.50	24.52
Revenue from contracts with customers*	11,801.62	10,416.69

*Excluding export incentives

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

24.4 Set out below is the amount of revenue recognized from

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Amounts included in contract liabilities at the beginning of the year	63.92	44.35
Performance obligations satisfied in previous years	-	-

24.5 Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Revenue as per contracted price (as invoiced)	11,866.89	10,466.16
Adjustments		
Provision for sales related obligations	(13.31)	(14.11)
Sales return	(51.96)	(35.36)
Revenue from contracts with customers*	11,801.62	10,416.69

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

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

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

25 OTHER INCOME

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Other non-operating income		
Interest Income from financial assets at amortized cost		
- On Fixed Deposits with Banks	24.70	74.72
- On Others	17.14	4.91
Dividend Income	0.04	0.04
Gain on sale of current investments measured at FVTPL	74.58	3.74
Gain on Financial Instruments measured at FVTPL	53.94	6.08
Provision for bad and doubtful debts written back	-	0.01
Gain on disposal of property, plant and equipment (net)	10.32	-
Foreign exchange fluctuation Gain (Net)	1.84	0.59
Miscellaneous Income	0.88	0.98
Total	183.44	91.07

26 COST OF MATERIAL CONSUMED

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Inventories at the beginning of the year	765.02	799.76
Add : Purchases during the year	8,604.46	7,405.02
	9,369.48	8,204.78
Less: Inventory at the end of the year	881.39	765.02
Total material consumed	8,488.09	7,439.76

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

27 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN PROGRESS AND STOCK-IN TRADE

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Inventories at the beginning of the year		
Finished Goods	117.01	196.88
Work in process	223.25	226.16
	340.26	423.04
Less: Inventory at the end of the year		
Finished Goods	164.76	117.01
Work in process	233.18	223.25
	397.94	340.26
Net (Increase) / Decrease in Opening and Closing stock	(57.68)	82.78

28 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Salaries, wages, bonus and allowances	1,543.72	1,345.32
Contribution to Provident and other funds (Refer Note 33)	83.53	83.35
Gratuity and other defined benefit plans	20.34	32.10
Share based payments (Refer Note 46)	1.89	-
Staff welfare expenses	14.89	18.95
Total	1,664.37	1,479.72

29 FINANCE COSTS

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Interest expense on financial liabilities measured at amortized cost :		
- on borrowings	9.24	25.38
- on lease liabilities (Refer Note 32)	0.43	0.51
- on bill discounting	63.97	51.47
- other Interest cost	0.06	0.08
Other borrowing cost	2.13	3.72
Total	75.83	81.16

30 OTHER EXPENSES

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Power and Fuel Charges	186.84	171.97
Carriage Inwards Expenses	32.07	29.79
Processing Charges	266.89	247.37
Consumption of stores and spares	49.70	59.58
Testing Calibration and Development Charges	10.04	18.41
Repairs and Maintenance	101.15	107.23
Advertisement & Sales promotion	1.41	1.47
Carriage & Octroi (Outward)	47.79	34.46

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Rent (Refer Note 32)	10.32	8.32
Rates and Taxes	3.45	4.74
Payments to Auditors		
- Statutory Audit Fees (Including Limited review)	5.25	5.35
- Other Services	0.28	0.07
- Out of Pocket expenses	0.34	0.14
Legal and Professional Fee	28.77	14.10
Communication Costs	3.53	3.60
Traveling and Conveyance Expenses	27.34	27.50
Vehicle Running & Maintenance	21.20	21.87
Insurance	14.02	12.95
Provision for bad and doubtful debts	1.17	-
Sitting Fees to non-executive directors (refer note 38)	0.76	0.89
Corporate Social Responsibility Expenses (refer note 40)	8.19	8.52
Loss on disposal of property, plant and equipment (net)	-	2.27
Property, plant and equipment written off	-	8.93
Miscellaneous Expenditure	40.02	36.36
Total	860.53	825.89

31 EARNING PER SHARE (EPS)

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Basic & Diluted Earnings per share :		
Profit for the year	293.22	138.74
Profit attributable to ordinary shareholders (A)	293.22	138.74
Weighted average number of ordinary shares in calculating basic EPS (B)	4,79,70,039	4,79,25,220
Face value per Share	₹ 5/-	₹ 5/-
Earnings per share - Basic (A/B) - ₹	6.11	2.90
Weighted average number of ordinary shares in calculating diluted EPS (C)	4,79,87,996	4,79,25,220
Earnings per share - Diluted (A/C) - ₹	6.11	2.90

Effect of dilution table portion below this table along with weighted average number of equity share for basic EPS*

32 DISCLOSURE WITH RESPECT TO IND AS 116 - LEASES**Group as a leasee**

The Group has lease contracts for several industrial lands. These lease arrangements ranges for a period between 48 years to 96 years and includes escalation clause. The Group also has leases for warehouse premises with lease terms of 12 months or less and leases of low value. The Group has applied the 'short term lease' and 'lease of low-value-assets' recognition exemption for these leases.

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

The carrying amount of right-of-use assets recognized and the movement during the year in disclosure in Note 3

The carrying amount of lease liabilities and the movement during the year is given below

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Balance as at beginning of the year	5.16	5.15
Additions	-	-
Payment of lease liabilities	(0.27)	(0.50)
Accretion of interest	0.43	0.51
Balance as at end of the year	5.32	5.16
Current Liabilities	0.06	0.06
Non-Current Liabilities	5.26	5.10

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Such lease liabilities are related to Leasehold lands having maturity period of more than 5 year. The maturities analysis of lease liabilities is disclosed in Note 41. Lease liability has been discounted using the lessee's incremental borrowing rate. There are no variable lease payments.

The effective interest rate for lease liabilities is 8% and 8.75%, with maturity between 2059 to 2111.

The table below provides details regarding amounts recognized in the Consolidated Statement of Profit and Loss:

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Expenses relating to short-term leases and/or leases of low-value items (Refer Note 30)	10.32	8.32
Interest on lease liabilities (Refer Note 29)	0.43	0.51
Depreciation expense (Refer Note 3)	0.05	0.08
Total	10.80	8.91

The Group had total cash outflows for leases of ₹ 10.59 Millions (31st March, 2024: ₹ 8.82 Millions)

33 THE GROUP HAS RECOGNIZED THE FOLLOWING AMOUNTS IN THE CONSOLIDATED FINANCIAL INFORMATION AS PER IND AS - 19 "EMPLOYEES BENEFITS":

a) Defined Contribution Plan

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Employer's Contribution to Provident Fund (Refer Note 28)	69.20	68.67
Employer's Contribution to Employee State Insurance (Refer Note 28)	11.29	12.43
Employer's Contribution to National Pension Scheme (Refer Note 28)	3.04	2.25

b) Defined Benefit Plan

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

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

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

Actuarial assumptions

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
Discount rate (per annum)	6.75%	7.20%	6.75%	7.20%
Attrition rate	4.00%	4.00%	4.00%	4.00%
Salary escalation rate	5.00%	5.00%	5.00%	5.00%
Average remaining working lives of employees (Years)	22.28	23.21	-	-
Retirement age (years)	58.00	58.00	58.00	58.00
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14

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

Present value of obligation as at the beginning of the year	184.81	157.55	22.79	19.32
Interest Cost	13.31	11.73	1.64	1.46
Current Service Cost	16.19	15.18	5.44	18.23
Benefits paid	(24.64)	(10.67)	(4.74)	(2.67)
Actuarial (gain)/ loss on obligations	7.94	11.02	(3.77)	(13.55)
Present value of obligation as at the end of the year	197.61	184.81	21.36	22.79

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

Fair value of plan assets at beginning of the year	212.63	182.82	12.91	12.02
Actual return of plan assets	15.31	13.60	0.93	0.89
Employer contribution	20.90	17.10	4.74	2.67
Benefits paid	(24.64)	(10.67)	(4.74)	(2.67)
Actuarial gain/ (loss) on obligations	1.86	9.78	0.10	0.00
Fair value of plan assets at the end of year	226.06	212.63	13.94	12.91

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
Other Comprehensive Income				
Actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-
Actuarial gains and losses arising from changes in financial assumptions	10.10	134.91	(3.78)	0.27
Remeasurement (Gain)/ Loss arising from Experience Adjustment	(2.16)	(123.89)	0.01	(13.82)
Changes in the effect of limiting a net defined benefit asset to the asset ceiling, excluding amounts included in interest.	(1.86)	(9.78)	-	0.00
Actuarial (gain) / loss recognized in OCI	6.08	1.24	(3.77)	(13.55)

The amounts to be recognized in Consolidated Statement of Assets and Liabilities:

Present value of obligation as at the end of the year	197.61	184.81	21.36	22.79
Fair value of plan assets as at the end of the year	226.06	212.63	13.94	12.91
Net (asset)/ liability recognized in Consolidated Ind AS Balance Sheet	(28.45)	(27.82)	7.42	9.88

Expenses recognized in Consolidated Statement of Profit and Loss:

Current service cost	16.19	15.18	5.44	18.22
Net Interest Cost	(2.00)	(1.87)	0.71	0.57
Expenses recognized in the Consolidated statement of profit and loss	14.19	13.31	6.15	18.79

Sensitivity analysis of the defined benefit obligation:

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

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
Impact of the change in Discount Rate				
Present Value of Obligation at the end of the year	197.61	184.81	21.36	22.79
Impact due to increase of 1%	(14.63)	(12.94)	(1.12)	(0.99)
Impact due to decrease of 1%	17.01	15.03	1.40	1.46

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	Gratuity (Funded)		Leave Encashment (Funded)	
	31 st March, 2025	31 st March, 2024	31 st March, 2025	31 st March, 2024
<u>Impact of the change in Withdrawal Rate</u>				
Present Value of Obligation at the end of the year	197.61	184.81	21.36	22.79
Impact due to increase of 1%	2.10	2.42	0.38	0.40
Impact due to decrease of 1%	(2.39)	(2.76)	(0.24)	(0.17)
<u>Impact of the change in salary increase</u>				
Present Value of Obligation at the end of the year	197.61	184.81	21.36	22.79
Impact due to increase of 1%	16.01	14.24	1.39	1.39
Impact due to decrease of 1%	(14.07)	(12.52)	(0.82)	(0.94)

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

Maturity profile of defined benefit obligation:

Year 1	21.01	29.07	10.02	11.38
Year 2	18.98	12.61	1.08	0.81
Year 3	17.52	17.18	0.92	1.12
Year 4	22.92	16.17	1.13	0.99
Year 5	17.20	21.00	1.12	1.21
Year 6 to 10	74.13	70.54	4.31	5.05

Estimated amount of contribution to gratuity in the immediate next year is ₹ 16.54 Million (31st March, 2024 ₹ 15.64 Million)

Investment Details

Funds managed by Insurance Companies	224.21	211.59	13.95	12.91
Cash and Bank Balance	1.85	1.04	-	-

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

34 INFORMATION REQUIRED TO BE FURNISHED AS PER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (THE ACT):

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

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
1. Principal amount remaining unpaid to micro & small enterprises	244.93	272.73
2. Interest due on above	-	0.01
3. Interest paid during the period beyond the appointed day	-	-
4. Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
5. Amount of interest accrued and remaining unpaid at the end of the period	-	0.01
6. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

35 COMMITMENTS AND CONTINGENCIES**(a) Contingent Liabilities not provided for in respect of:**

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(i) Unexpired Letters of Credit	11.04	35.03
(ii) Guarantees given by banks on behalf of the Company	63.77	80.66
(iii) Claims against the Company not acknowledged as debt		
- Income tax matters	59.18	47.41
- Sales tax matters	0.60	0.60
- Goods and service tax matters	2.59	2.59
- Custom duty matters	1.26	1.26
- Employees related matters	11.27	8.22

Notes:

- The Group's pending litigations comprise of claims against the Group and proceedings pending with Government Authorities. The Group has reviewed all its pending litigations and proceedings and believes that they have sufficient and strong arguments on facts as well as on point of law and accordingly no provision has been considered in the financial statements. The Group does not expect the outcome of these proceedings to have a material impact on its financial position.
- The Group periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, The Group has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.
- The Group does not have outstanding term derivative contracts as at the end of respective years.
- There were no amounts which were required to be transferred to the investor Education and Protection fund by the Holding company and its Subsidiary company at the end of respective years.

(b) Capital Commitments

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	24.98	54.05

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

37 RESEARCH & DEVELOPMENT (R&D) EXPENDITURE

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Revenue Expenditure	96.16	82.60
Capital Expenditure	0.88	1.10
Total	97.04	83.70

37.1 Capital expenditure incurred on R&D is included in the Property Plant and Equipment and depreciation is provided on the same at respective applicable rates.

37.2 Revenue expenditure incurred on R&D has been shown under respective Expense head in the Statement of Profit and loss.

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)
 (All amounts are in ₹ Millions, unless otherwise stated)

38 "RELATED PARTY DISCLOSURES" AS REQUIRED BY IND AS - 24

(i). Name and description of related parties.

Relationship	Name of Related Party	
(a) Wholly Owned Subsidiary:	Elin Appliances Private Limited	
(b) Key management personnel :	Sh. M.L. Sethia	(Chairman-Whole Time Director)
	Sh. Kamal Sethia	(Managing Director)
	Sh. Sanjeev Sethia	(Whole Time Director - EMS)
	Sh. Sumit Sethia	(Whole Time Director - Goa Operation)
	Sh. Kishore Sethia	(Key Managerial Personal)
	Sh. Gaurav Sethia	(Director of Subsidiary Company)
	Sh. Vinay Kumar Sethia	(Director of Subsidiary Company)
	Sh. Raj Karan Chhajer	(Chief Financial Officer)
	Ms.Lata Rani Pawa	(Company Secretary and Compliance Officer)
	Sh.Praveen Tandon	(Chief Executive Officer) (w.e.f. 17 th April, 2024)
	Sh. Kamal Singh Baid	(Non Executive Independent Director) (Ceased w.e.f. 30 th March, 2025)
	Ms. Shilpa Baid	(Non Executive Independent Director)
	Sh. Shantilal Sarnot	(Non Executive Independent Director)
	Sh. Ashis Chandra Guha	(Non Executive Independent Director)
	Ms. Priyanka Jain	(Non Executive Independent Director) (w.e.f. 8 th February, 2025)
(c) Relative of Key management personnel :	Smt. Kanika Sethia	
	Late Suman Sethia	
	Smt. Vasudha Sethia	
	Smt. Kanchan Sethia	
	Sh.Vijay Singh Sethia	
	Smt. Santosh Sethia	
	Smt. Shweta Sethia	
	Sh.Deepak Sethia	
	Sh.Sushil Kumar Sethia	
(d) Post Employment Benefit Plans	Elin Electronics Limited Employees Gratuity Fund	
	Elin Appliances Pvt. Ltd. Employees Gratuity Trust	
(e) Enterprises owned or Significantly influenced by key management personnel or their relatives.	Kanchan Commercial Co. Pvt. Ltd.	
	Magtronic Devices Pvt. Ltd.	
	Sethia Oil Industries Limited	
	Kamal Sethia & Sons HUF	
	Vijay Singh Sethia And Sons HUF	
	Sushil Kumar Sethia & Sons HUF	
	Vinay Kumar Sethia & Sons HUF	
	Deepak Sethia And Sons HUF	

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

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Income - Rent income		
Magtronic Devices Pvt. Ltd.	0.36	0.36
Expenses - Rent expenses		
Kanchan Commercial Co. Pvt.Ltd.	0.60	0.60
Contribution towards Gratuity Liabilities		
Elin Electronics Limited Employees Gratuity Fund	18.50	14.50
Elin Appliances Pvt. Ltd. Employees Gratuity Trust	2.40	2.60
Loan to Key Management Personnel		
Sh.Praveen Tandon	12.00	-
Loan repaid by Key Management Personnel		
Sh.Praveen Tandon	3.67	-
Sitting Fees to non-executive directors		
Short term employee benefits		
Sh. Kamal Singh Baid	0.34	0.38
Ms. Shilpa Baid	0.17	0.22
Sh. Shantilal Sarnot	0.17	0.17
Sh. Ashis Chandra Guha	0.08	0.12
Remuneration of Key Management Personnel*		
Short term employee benefits		
Sh. M.L. Sethia	3.64	3.64
Sh. Kamal Sethia	8.74	8.48
Sh. Kishore Sethia	8.74	8.48
Sh. Sanjeev Sethia	8.74	8.48
Sh. Vinay Kumar Sethia	8.74	8.48
Sh. Sumit Sethia	9.02	9.32
Sh. Gaurav Sethia	8.74	8.48
Sh Raj Karan Chhajer	2.78	2.53
Ms.Lata Rani Pawa	1.43	1.30
Sh.Praveen Tandon	10.89	-
ESOP		
Sh.Praveen Tandon	1.89	-
Dividend paid to Key Management Personnel		
Sh. Kamal Sethia	-	1.53
Sh. Kishore Sethia	-	2.51
Sh. Sanjeev Sethia	-	0.94
Vinay Kumar Sethia & Sons HUF	-	0.43
Sh. Sumit Sethia	-	0.59
Sh. Gaurav Sethia	-	2.12
Dividend paid to Relatives of Key Management Personnel		
Kanika Sethia	-	0.15
Late Suman Sethia	-	2.72
Vasudha Sethia	-	0.74
Kanchan Sethia	-	0.69
Vijay Singh Sethia	-	0.38
Santosh Sethia	-	0.56
Shweta Sethia	-	0.08
Vinay Kumar Sethia & Sons	-	0.01
Deepak Sethia	-	0.56
Deepak Sethia And Sons	-	0.01

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Sushil Kumar Sethia	-	0.32
Kamal Sethia & Sons HUF	-	0.18
Vijay Singh Sethia and Sons HUF	-	0.02
Sushil Kumar Sethia & Sons HUF	-	0.01
Payable of Sitting Fees to non-executive directors		
Sh. Kamal Singh Baid	0.10	0.13
Ms. Shilpa Baid	0.06	0.06
Sh. Shantilal Sarnot	0.05	0.08
Sh. Ashis Chandra Guha	0.04	0.05
Payable to Key Management Personnel (Remuneration)		
Sh. Sumit Sethia	0.46	0.35
Receivable from Key Management Personnel (Loan)		
Sh.Praveen Tandon	8.33	-

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

Terms and conditions of transactions with related parties:

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

39 SEGMENT REPORTING

The Group is engaged in manufacturing of Electronics Manufacturing items. The Board of directors of Elin Electronics Limited takes decision in respect of allocation of resources and assesses the performance basis the reports/information provided by functional heads and is thus considered to be Chief Operating Decision Maker. During the year under consideration, the Group operated in a single primary segment in manufacturing of Electronics Manufacturing Services.

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

Geographical Information**Accordingly the Group has disclosed segment information**

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

Information by Geographical	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
i. Revenue from external customers		
India	11,765.22	10,392.56
Outside India	36.40	24.13
Total revenue*	11,801.62	10,416.69
ii. Non-current operating assets**		
India	2,541.28	2,386.50
Outside India	-	-
Total	2,541.28	2,386.50

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Information by Geographical	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
iii. Addition to property, plant and equipment and intangible assets		
India	489.05	226.85
Outside India	-	-
Total	489.05	226.85

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

**Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, capital work-in-progress, capital advances and intangible assets.

Information about major customers (from external customers)

Revenue of approximately ₹ 4,110 Millions (35%) (FY 2023-2024: ₹ 2,682 Millions (26%)) are derived 2 external customers (FY 2023-2024: 1 Nos.) external customers which individually accounted for more than 10%.

40 CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
a) Gross amount required to be spent by the Company during the year	7.70	8.39
b) Amount approved by the Board to be spent during the year	7.70	8.39
c) Amount spent during the year ending :		
In cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above*	8.19	8.52
Yet to be paid in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-
Unspent amount deposited in separate bank account		
d) Details related to spent / unspent obligations		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust / other CSR activities undertaken by the Company	8.19	8.52
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
Total unspent amount	-	-
The Company during the year executed following project under Corporate Social Responsibility :		
i) Promotion of Education (Other than ongoing project)		
ii) On promoting health care including preventive health care and sanitation (Other than ongoing project)		
iii) Protection of flora and fauna, animal welfare (Other than ongoing project)		
iv) On promoting National & Rural Sports (Other than ongoing project)		
v) Protection of National Heritage, art and culture (Other than ongoing project)		
Details of ongoing project and other than ongoing project		
In case of Section 135(6) (Ongoing project)		

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Opening Balance		
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
Amount required to be spent during the year	-	-
Amount spent during the year		
- From Company's bank A/c	-	-
- From Separate CSR Unspent A/c	-	-
Closing Balance		
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
In case of Section 135(5) (Other than ongoing project)		
Opening Balance	-	-
Amount deposited in Specified Fund of Sch. VII within 6 months	-	-
Amount required to be spent during the year	7.70	8.39
Amount spent during the year*	8.19	8.52
Closing Balance	-	-

*The Group during the year has spent more than the required amount

41 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

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

41.1 Financial Instruments by category

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

Particulars	As at 31 st March, 2025			As at 31 st March, 2024		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets						
(i) Investments- Equity Instruments (level 2) (Non Current)						
- Non Current	-	14.82	-	-	14.74	-
(ii) Investments- Mutual Funds (level 1) (Current)						
- Current	672.04	-	-	618.10	-	-
(iii) Trade receivables	-	-	2,265.33	-	-	1,994.41

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Particulars	As at 31 st March, 2025			As at 31 st March, 2024		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
(iv) Cash and cash equivalents	-	-	0.75	-	-	2.22
(v) Bank balances other than (iv) above	-	-	310.12	-	-	12.51
(vi) Loans	-	-	-	-	-	-
(vii) Other Financial Assets						
- Non Current	-	-	26.32	-	-	56.76
- Current	-	-	35.92	-	-	361.04
Total financial assets	672.04	14.82	2,638.44	618.10	14.74	2,426.94
Financial liabilities						
(i) Borrowings						
- Non Current	-	-	-	-	-	-
- Current (including current maturities of long term borrowings)	-	-	235.24	-	-	114.76
(ii) Lease Liabilities						
- Non Current	-	-	5.26	-	-	5.10
- Current	-	-	0.06	-	-	0.06
(ii) Supplier's credit	-	-	51.69	-	-	77.08
(iii) Trade payables	-	-	1,246.57	-	-	1,085.18
(iv) Other financial liabilities	-	-	96.43	-	-	98.89
Total Financial liabilities	-	-	1,635.25	-	-	1,381.07

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

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

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

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

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

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

Fair value hierarchy

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

Particulars	Fair value hierarchy	As at 31 st March, 2025	As at 31 st March, 2024
Financial assets			
Non current investments - unquoted	Level III	14.82	14.74
Current investments - quoted	Level I	672.04	618.10

Valuation Process

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

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

Significant estimates:

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

41.2 Management of Financial Risk**A. Liquidity risk**

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

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

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

	Notes	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
As at 31st March, 2025						
Borrowings (excluding lease liabilities)	19	235.24	235.24	-	-	235.24
Lease Liabilities	32	5.32	0.38	1.95	41.06	43.39
Supplier's credit	20(a)	51.69	51.69	-	-	51.69
Trade payables	20(b)	1,246.57	1,246.57	-	-	1,246.57
Other financial liabilities	21	96.43	96.43	-	-	96.43
As at 31st March, 2024						
Borrowings (excluding lease liabilities)	19	114.76	114.76	-	-	114.76
Lease Liabilities	32	5.16	0.38	1.93	41.46	43.77
Supplier's credit	20(a)	77.08	77.08	-	-	77.08
Trade payables	20(b)	1,085.18	1,085.18	-	-	1,085.18
Other financial liabilities	21	98.89	98.89	-	-	98.89

B. Market Risk

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

i) Interest Rate Risk

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

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

a. Interest rate risk exposure

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Financial assets		
Variable rate borrowings	235.24	114.76
Fixed rate borrowings	-	-

b. Sensitivity Analysis

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

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

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Impact on profit & loss for the year	2.35	1.15
Impact on total equity as at the end of reporting year	1.76	0.86

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

ii) Currency risk

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

a foreign currency). The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, CNY and JPY. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities denominated in a currency that is not the Group's functional currency

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

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

Particulars		As at	As at
		31 st March, 2025	31 st March, 2024
Trade payable	USD/₹	99.86	166.07
	Amount in FC	1.17	1.99
	JPY/₹	0.65	0.71
	Amount in FC	1.14	1.28
	CNY/₹	47.09	18.55
	Amount in FC	4.01	1.55
Trade receivable	USD/₹	6.70	11.70
	Amount in FC	0.08	0.14

Foreign currency sensitivity analysis:

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

Impact on profit or (Loss)		As at	As at
		31 st March, 2025	31 st March, 2024
₹ strengthens by 5%	USD Impact	4.66	7.72
	JPY Impact	0.03	0.04
	CNY Impact	2.35	0.93
₹ weakening by 5%	USD Impact	(4.66)	(7.72)
	JPY Impact	(0.03)	(0.04)
	CNY Impact	(2.35)	(0.93)

iii) Commodity price risk

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

C. Credit Risk

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

Trade Receivables

Customer credit risk is managed by each business unit subject to the Group established policy, procedures and control relating to customer credit risk management. To manage trade receivable, The Group periodically assesses

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables. The utilization of credit limits is regularly monitored.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 41. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

An impairment analysis is performed at each reporting date for all customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 12.

As at 31st March, 2025

Ageing	0-180 days	181-365 days	More than 365 days	Total
Gross Carrying amount	2,261.53	6.21	0.36	2,268.10
Expected loss rate	0.10%	11.92%	100.00%	
Expected credit losses (loss allowance provision)	2.17	0.74	0.36	3.27
Carrying amount of trade receivables (net of impairment)	2,259.36	5.47	-	2,264.83

As at 31st March, 2024

Ageing	0-180 days	181-365 days	More than 365 days	Total
Gross Carrying amount	1,994.69	1.24	0.57	1,996.51
Expected loss rate	0.10%	0.10%	17.77%	
Expected credit losses (loss allowance provision)	2.00	0.00	0.10	2.10
Carrying amount of trade receivables (net of impairment)	1,992.70	1.24	0.47	1,994.41

Financial instruments and cash deposits

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

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

42 CAPITAL MANAGEMENT

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

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)
 (All amounts are in ₹ Millions, unless otherwise stated)

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

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Gross Debt	235.24	114.76
Less : Cash and Cash equivalents (Note 13)	0.75	2.22
Net Debt (A)	234.49	112.54
Total Equity (B)	5,341.78	5,030.99
Net Debt to Equity Ratio (A/B)	0.04	0.02

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

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

43 TAX RECONCILIATION

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

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Profit or loss section		
Current tax	68.60	52.40
Adjustment of tax relating to earlier period	0.45	4.46
Deferred Tax	22.88	1.23
Income tax expense reported in the statement of profit and loss	91.93	58.09
OCI section		
Tax expense on items that will not be reclassified to profit or loss	(0.58)	3.10
	(0.58)	3.10

Reconciliation between average effective tax rate and applicable tax rate

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
Net Profit as per consolidated statement of profit and loss (before tax)	385.15	196.83
Income tax using the Company's domestic tax rate @ 25.168%	96.93	49.54
Adjustments in respect of current income tax of previous years	0.45	4.46
Non-deductible expenses for tax purposes:		
Impact of taxable of Capital gain at lower rate	(9.17)	0.16
Non deductible expenses	3.72	3.93
Total	91.93	58.09

44 RATIO ANALYSIS AND ITS ELEMENTS

Ratios/Measure	Numerator	Denominator	31 st March, 2025	31 st March, 2024	Variation
a) Current ratio	Current Assets	Current Liabilities	2.61	2.74	(4.68)
b) Debt equity ratio	Net Debt (including lease liabilities)	Shareholder's Equity	0.04	0.02	91.91%
c) Debt service coverage ratio	Earnings for debt service	Total Debt	257.12%	391.78%	(34.37)

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

Ratios/Measure	Numerator	Denominator	31 st March, 2025	31 st March, 2024	Variation
d) Return on equity %	Net Profits after taxes	Average Shareholder's Equity	5.65%	2.79%	102.98%
e) Inventory turnover ratio	Cost of goods sold	Average Inventory	7.34	6.59	11.44%
f) Trade receivables turnover ratio	Revenue from operations	Average Trade Receivable	5.54	5.25	5.55%
g) Trade payables turnover ratio	Net credit purchases	Average Trade Payables	7.66	6.45	18.78%
h) Net capital turnover ratio	Revenue from operations	Working capital	407.13%	387.25%	5.13%
i) Net profit %	Net Profit	Revenue from operations	2.48%	1.33%	86.55%
j) Return on capital employed %	Earnings before interest and taxes	Capital Employed	8.07%	5.29%	52.66%
k) Return on investment	Interest (Finance Income)	Average Investment	25.83%	19.91%	29.70%

Notes:-

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

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

Working Capital implies Current Assets less Current Liabilities.

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

Net credit purchases = Gross credit purchases - purchase return

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

Explanation for variances exceeding 25%

Schedule III requires explanation where the change in the ratio is more than 25% as compared to the preceding year; hence explanation is given only for the said ratios.

- b) Debt equity ratio is increased due to increase in borrowings.
- c) Debt service coverage ratio is reduced due to increase in borrowings during the year.
- d, i, j) Due to higher profitability, Return on equity, Net Profit and Return on capital employed ratio have increased.
- k) Return on Investment is increased due to profit on sale of current investment during the year resulting into higher return compared to last year.

45 OTHER STATUTORY INFORMATION

- i) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vi) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vii) The Group is not declared wilful defaulter by any bank or financials institution or lender during the year.
- viii) The Group does not have any other charges or satisfaction as on 31st March, 2025 which is yet to be registered with ROC beyond the statutory period.
- ix) Quarterly returns/statements of current assets filed by the group with banks are in agreement with the books of account.
- x) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- xi) The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.
- xii) The Group does not have any transactions with companies which are struck off.

46 EMPLOYEE SHARE BASED PAYMENT PLAN

The Company provides share-based payment scheme to its selected employees whereby selected employees are granted with the right to obtain Elin Electronics Limited's shares. During the year ended 31st March, 2025, an Employee Stock Option Plan was introduced. In the Board meeting held on 30th May, 2024, the Board of Directors ("Board") has approved the Elin Employees Stock Option Plan 2024 ('ESOP 2024') and grant of options to the selected employees of the Company under the Scheme are made in the current year. The Details of the scheme are explained in the table below:

During the Year ended 31st March, 2025, the Company has granted 2,50,000(31st March, 2024: NIL) employee stock options ("ESOP") as per scheme approved by Board of Directors, at an exercise price of ₹ 78.00 per option. Further, no options has been exercised in the Year ended 31st March, 2025. Total ESOP outstanding as at 31st March, 2025 are 2,50,000 (31st March, 2024 : Nil). The vesting period of the ESOP is ranging from 1.25 years to 4.25 years . The granted options can be exercised after vesting at any time before the expiry of 6 months from vesting date. An amount of ₹ 1.89 Million (31st March, 2024: NIL) has been recorded for the year ended 31st March, 2025 as employee benefits expense, as the proportionate cost of ESOP granted.

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

a) Employee stock option scheme**The Group had the following outstanding share based payment arrangements:**

Particulars	31 st March, 2025	31 st March, 2024
No. of Options	250000	-
Method of Accounting	Fair Value	-
Vesting Date	8 th February, 2026 to 8 th February, 2029	-
Exercise Period on initiation of exercise period	8 th August, 2026 to 8 th August, 2029	-
Grant Date	8 th February 2025	-
Exercise price per share (₹)	78	-
Market price on the date of grant (₹)	157.31	-
Method of settlement	Equity Shares	-

b) The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	31 st March, 2025		31 st March, 2024	
	Weighted Average Price (₹)	Number of options	Weighted Average Price (₹)	Number of options
Outstanding as at 1 st April, 2024	-	-	-	-
Options granted during the year	78.00	2,50,000	-	-
Options forfeited during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options expired during the year	-	-	-	-
Options outstanding as at 31 st March, 2025	78.00	2,50,000	-	-
Exercisable at the end of the year	78.00	2,50,000	-	-

c) Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the year ended 31st March, 2025:

Particulars	31 st March, 2025	31 st March, 2024
	ESOP	ESOP
Weighted average fair values at the measurement date	157.31	-
Dividend yield (%)	1%	-
Expected volatility (%)	41.30% to 45.7%	-
Risk-free interest rate (%)	6.67% to 6.74%	-
Expected life of share options (years)	1.25 to 4.25	-
Weighted average share price (₹)	90.13	-
Model used	Black Scholes Pricing	-

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)
(All amounts are in ₹ Millions, unless otherwise stated)

47 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013.

Name of the Enterprises	Relationship	Net Assets i.e. total assets minus liabilities		Share in Profit or Loss		Share in other comprehensive income for the year ended 31 st March, 2025		Share in total comprehensive income or (loss) for the year ended 31 st March, 2024	
		As % of total consolidated net assets	Amounts (In ₹)	As % of total consolidated Profit or Loss	Amounts (In ₹)	As a % of total consolidated other comprehensive income	Amounts (In ₹)	As a % of consolidated total comprehensive income or (loss)	Amounts (In ₹)
Elin Electronics Limited	Holding Company								
31 st March, 2024		84.71%	4,261.63	90.45%	125.50	34.73%	3.19	95.28%	128.69
31 st March, 2025		82.06%	4,383.39	68.77%	201.65	232.27%	(3.83)	93.40%	197.81
Elin Appliances Private Limited *	Wholly owned Subsidiary								
31 st March, 2024		15.29%	769.36	9.55%	13.24	65.27%	6.01	4.72%	19.25
31 st March, 2025		17.94%	958.39	31.23%	91.57	(132.27)	2.18	6.60%	93.76
Total									
31 st March, 2024		100.00%	5,030.99	100.00%	138.74	100.00%	9.20	100.00%	147.94
31 st March, 2025		100.00%	5,341.78	100.00%	293.22	100.00%	(1.65)	100.00%	291.57

*The amount stated above after elimination

48 INITIAL PUBLIC OFFERING (IPO)

The Holding Company has completed Initial Public Offer (IPO) of 1,92,30,746 equity shares comprising a fresh issue of 70,85,020 equity shares and offer for sale by selling shareholders of 1,21,45,726 equity shares of face value of ₹ 5 each at premium of ₹ 242 per share aggregating to ₹ 4,750.00 Million. Pursuant to the IPO, the equity shares of the Holding Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with effect from 30th December, 2022.

Detail of Utilization of IPO Proceeds is as under:

Item Head	Estimated net proceeds as per Prospectus	Revised Net Proceeds	Utilized upto 31 st March, 2025	Unutilized as on 31 st March, 2025
Repayment/ prepayment, in full or part, of certain borrowings availed of by our Company	880.00	880.00	880.00	-
Funding capital expenditure towards upgrading and expanding our existing facilities at (i) Ghaziabad, Uttar Pradesh and (ii) Verna, Goa	375.89	375.89	351.48	24.41
General corporate purposes@	395.63	395.63	395.63	-

@ adjusted based on the final share of company's issue expenses.

*IPO proceeds which were unutilized as at 31st March, 2025 were temporarily retained in the Fixed Deposits.

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

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

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

Divya Mathur
Partner
Membership No.: 506846

Place : Gurgaon
Date : 26th May, 2025

For and on behalf of the Board of Directors

Kamal Sethia
Managing Director
DIN: 00081116

Raj Karan Chhajjer
Chief Financial Officer
PAN: AAAPC0561C

M.L. Sethia
Chairman
DIN: 00081367

Lata Rani Pawa
Company Secretary and
Compliance Officer
M.No.: A30540
Place : New Delhi
Date : 26th May, 2025

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

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

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**Part "A": Subsidiaries**(Information in respect of each **subsidiary** to be presented with amounts in INR Millions as on 31st March, 2025)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Elin Appliances Private Limited
2.	The date since when subsidiary was acquired	02-11-2019
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5.	Share capital	2.00
6.	Reserves & surplus	958.39
7.	Total assets	1615.13
8.	Total Liabilities	654.74
9.	Investments	119.58
10.	Turnover	2771.81
11.	Profit before taxation	225.89
12.	Provision for taxation	37.04
13.	Profit after taxation	188.85
14.	Proposed Dividend	Nil
15.	% of shareholding	100%

Note : 1. Names of subsidiaries which are yet to commence operations : Nil

2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Notes to Consolidated Financial Statements for the year ended 31st March, 2025 (Contd.)

(All amounts are in ₹ Millions, unless otherwise stated)

Part "B": Associates and Joint VenturesStatement pursuant to Section 129 (3) of the Companies Act, 2013 related to **Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	NIL	NIL
1. Latest audited Balance Sheet Date		
2. Shares of Associate/Joint Ventures held by the company on the year end		
No.		
Amount of Investment in Associates/Joint Venture		
Extend of Holding%		
3. Description of how there is significant influence		
4. Reason why the associate/joint venture is not consolidated		
5. Net worth attributable to shareholding as per latest audited Balance Sheet		
6. Profit/Loss for the year		
i. Considered in Consolidation		
ii. Not Considered in Consolidation		

For and on behalf of the Board of Directors

Kamal Sethia
Managing Director
 DIN: 00081116

M.L. Sethia
Chairman
 DIN: 00081367

Raj Karan Chhajer
Chief Financial Officer
 PAN: AAAPC0561C

Lata Rani Pawa
Company Secretary and
Compliance Officer
 M.No.: A30540

Place : New Delhi
 Date: 26th May, 2025

NOTICE OF 43rd ANNUAL GENERAL MEETING



ELIN ELECTRONICS LIMITED

CIN: L29304DL1982PLC428372, Website- www.elinindia.com

Registered & Corporate Office: 4771, Bharat Ram Road, 23, Daryaganj,

New Delhi – 110002; Email ID: rkc@elinindia.com, Tel: +91 011 43000400

Notice is hereby given that the 43rd Annual General Meeting (AGM) of the members of ELIN ELECTRONICS LIMITED will be held on Saturday, the 30th day of August, 2025 at 10.30 A.M. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), to transact businesses as set out in this notice. The venue of the meeting shall be deemed to be the Registered Office of the Company at 4771, Bharat Ram Road, 23, Daryaganj, New Delhi – 110002. The following businesses will be transacted at the AGM:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the –
 - a. Audited Standalone Financial Statements of the Company for the financial year ended on 31st March, 2025 together with the Reports of the Board of Directors and Auditors thereon; and
 - b. Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2025 together with the Report of Auditors thereon;
2. To appoint a Director in place of Mr. Sanjeev Sethia (DIN: 00354700), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sumit Sethia (DIN: 00831799), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES:

4. To Appoint Secretarial Auditors of the Company.

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provision of Section 204 and other applicable provisions, if any, of Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A Securities Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable laws and statutory provisions, if any, as amended from time to time and based on recommendation of Audit Committee and Board of Directors of the Company, the approval of the Members be and is hereby accorded for the appointment of M/s. P.P. Agarwal & Co. Company Secretaries (Firm Registration No. S2012DE174200), as Secretarial Auditor of the Company for a first term of five (5) consecutive years commencing from financial year 2025-26 till financial year 2029-30 at such fees, plus applicable taxes and other out of pocket expenses as may be mutually decided by Board of Directors of the Company (including its Committee thereof) in consultation with the Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

5. To approve the re-appointment and remuneration of Mr. Sumit Sethia (DIN: 00831799), Whole-time Director of the Company, liable to retire by rotation.

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto read with the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), on the recommendations and/or approvals of Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Sumit Sethia (DIN: 00831799), Whole-time Director of the Company, liable to retire by rotation in terms of Section 152(6)

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

of the Companies Act, 2013, for a period of 5 years effective from June 03, 2025 to June 02, 2030, on the terms and conditions including remuneration for a period of three years w.e.f. June 03, 2025 to June 02, 2028, as detailed below as minimum remuneration in case the Company has no profits or the profits of the Company are inadequate, notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act :

1. Salary - ₹ 7,00,000/-per month.
2. Perquisites :
 - a. Furnished accommodation
 - b. Electricity & water
 - c. Medical Insurance for self & family
 - d. Medical Reimbursement for self & family
 - e. Company car(s) with driver(s) for official duties as well as for personal use.
 - f. Free Telephone at residence and mobile phone.
 - g. Clubs Fees.
 - h. Leave travel concession for self & family.
 - i. Company contribution towards provident fund, not exceeding 12% of the salary.
 - j. Gratuity not exceeding half month's salary for each completed year of service.
 - k. Company contribution towards National pension scheme (NPS) not exceeding 10% of the salary.

Provided that:

- a. Total remuneration by way of salary and perquisites shall not exceed ₹ 8,00,000/- per month (₹ 96,00,000/- in a year) subject that contribution to provident fund and gratuity payable shall not be included in the computation of the above ceiling.
- b. The perquisites shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded for payment of aggregate managerial remuneration to (i) all the Executive Directors/Managing Director/ Whole-time Directors during the current tenure of

Mr. Sumit Sethia, even if the same may exceed the limit of 10% of the net profits of the Company, being maximum limit of managerial remuneration payable to all such Directors of the Company in a financial year as per the Act; (ii) all the Directors including Executive Directors/Managing Director/Whole-Time Director and Non-Executive Directors, during the current tenure of Mr. Sumit Sethia, may exceed 11% of the net profits of the Company, being maximum limit of managerial remuneration payable to all the Directors of the Company in a financial year, computed in the manner as laid down in Section 198 read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT approval of members be and is hereby also accorded for payment of above remuneration in terms of Regulation 17(6)(e) of amended Listing Regulations.

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by Board be and is severally authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all acts, deeds and things as may be necessary, expedient & desirable for the purpose of giving effect to the above resolution".

6. To approve the re-appointment and remuneration of Mr. Kamal Sethia (DIN:00081116), Managing Director of the Company, liable to retire by rotation.

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto read with the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), on the recommendations and/or approvals of Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Kamal Sethia (DIN: 00081116), Managing Director of the Company, liable to retire by rotation in terms of Section 152(6) of the Act, for a period of 5 years effective from 1st April, 2026 to 31st March, 2031, on the terms and conditions including remuneration for a period of three years w.e.f. 1st April, 2026 to 31st March, 2029,

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

as detailed below as minimum remuneration in case the Company has no profits or the profits of the Company are inadequate, notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act :

1. Salary – ₹7,00,000/-per month.
2. Perquisites :
 - a. Furnished accommodation
 - b. Electricity & water
 - c. Medical Insurance for self & family
 - d. Medical Reimbursement for self & family
 - e. Company car(s) with driver(s) for official duties as well as for personal use.
 - f. Free Telephone at residence and mobile phone.
 - g. Clubs Fees.
 - h. Leave travel concession for self & family.
 - i. Company contribution towards provident fund, not exceeding 12% of the salary.
 - j. Gratuity not exceeding half month's salary for each completed year of service.
 - k. Company contribution towards National pension scheme (NPS) not exceeding 10% of the salary.

Provided that:

- a. Total remuneration by way of salary and perquisites shall not exceed ₹ 8,00,000/- per month (₹ 96,00,000/- in a year) subject that contribution to provident fund and gratuity payable shall not be included in the computation of the above ceiling.
- b. The perquisites shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded for payment of aggregate managerial remuneration to (i) all the Executive Directors/Managing Director/ Whole-time Directors during the current tenure of Mr. Kamal Sethia, even if the same may exceed the limit of 10% of the net profits of the Company, being maximum limit of managerial remuneration payable to all such Directors of the Company in a financial year

as per the Act; (ii) all the Directors including Executive Directors/Managing Director/Whole-Time Director and Non-Executive Directors, during the current tenure of Mr. Kamal Sethia, may exceed 11% of the net profits of the Company, being maximum limit of managerial remuneration payable to all the Directors of the Company in a financial year, computed in the manner as laid down in Section 198 read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT approval of members be and is hereby also accorded for payment of above remuneration in terms of Regulation 17(6)(e) of amended Listing Regulations.

RESOLVED FURTHER THAT approval of members be and is hereby also accorded in terms of Section 196 of the Companies Act, 2013, for continuation of Mr. Kamal Sethia as Managing Director, liable to retire by rotation in terms of Section 152(6) of the Act, who will attain the age of 70 years in the year 2027-2028.

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by Board be and is severally authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all acts, deeds and things as may be necessary, expedient & desirable for the purpose of giving effect to the above resolution."

7. To approve the re-appointment and remuneration of Mr. Sanjeev Sethia (DIN: 00354700), Whole-time Director of the Company, liable to retire by rotation.

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto read with the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), on the recommendations and/or approvals of Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Sanjeev Sethia (DIN: 00354700), Whole-time Director of the Company, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013, for a period of 5 years effective from 1st April, 2026 to

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

31st March, 2031, on the terms and conditions including remuneration for a period of three years w.e.f. 1st April, 2026 to 31st March, 2029, as detailed below as minimum remuneration in case the Company has no profits or the profits of the Company are inadequate, notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act:

1. Salary – ₹7,00,000/- per month.
2. Perquisites :
 - a. Furnished accommodation
 - b. Electricity & water
 - c. Medical Insurance for self & family
 - d. Medical Reimbursement for self & family
 - e. Company car(s) with driver(s) for official duties as well as for personal use.
 - f. Free Telephone at residence and mobile phone.
 - g. Clubs Fees.
 - h. Leave travel concession for self & family.
 - i. Company contribution towards provident fund, not exceeding 12% of the salary.
 - j. Gratuity not exceeding half month's salary for each completed year of service.
 - k. Company contribution towards National pension scheme (NPS) not exceeding 10% of the salary.

Provided that:

- a) Total remuneration by way of salary and perquisites shall not exceed ₹ 8,00,000/- per month (₹ 96,00,000/- in a year) subject that contribution to provident fund and gratuity payable shall not be included in the computation of the above ceiling.
- b) The perquisites shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded for payment of aggregate managerial remuneration to (i) all the Executive Directors/Managing Director/

Whole-time Directors during the current tenure of Mr. Sanjeev Sethia, even if the same may exceed the limit of 10% of the net profits of the Company, being maximum limit of managerial remuneration payable to all such Directors of the Company in a financial year as per the Act; (ii) all the Directors including Executive Directors/Managing Director/Whole-Time Director and Non-Executive Directors, during the current tenure of Mr. Sanjeev Sethia, may exceed 11% of the net profits of the Company, being maximum limit of managerial remuneration payable to all the Directors of the Company in a financial year, computed in the manner as laid down in Section 198 read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT approval of members be and is hereby also accorded for payment of above remuneration in terms of Regulation 17(6)(e) of amended SEBI Listing Regulations.

RESOLVED FURTHER THAT the Board of Directors and/or any person authorised by Board be and is severally authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all acts, deeds and things as may be necessary, expedient & desirable for the purpose of giving effect to the above resolution."

8. To Ratify remuneration of Cost Auditors.

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the remuneration payable to M/s Bhavna Jaiswal & Associates, Cost Accountants (Firm Registration number 100608), appointed by the Board of Directors upon the recommendation of Audit Committee as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026, amounting to ₹ 75000/- plus out-of-pocket expenses & Goods & service tax as applicable incurred in connection with the aforesaid audit, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

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NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular no. 20/2020 dated May 5, 2020, Circular no. 02/2021 dated January 13, 2021, Circular no. 19/2021 dated December 8, 2021, Circular no. 21/2021 dated December 14, 2021, Circular no. 2/2022 dated May 5, 2022, Circular no. 10/2022 dated December 28, 2022, Circular no. 09/2023 dated September 25, 2023 and Circular no. 09/2024 dated September 19, 2024 in relation to "Clarification on holding of Annual General Meeting ("AGM") through video conferencing ("VC") or Other Audio Visual Means ("OAVM")" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" (collectively referred to as "SEBI Circulars") permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the Members of the Company is being held through VC / OAVM. The Company has appointed Central Depository Services (India) Limited ('CDSL') for providing facilities in respect of:

- a) voting through remote e-voting;
- b) participation in the AGM through VC/OAVM facility;
- c) e-voting during the AGM.

The deemed venue for the AGM shall be the Registered Office of the Company. The detailed procedure for participation in the meeting through VC/OAVM is annexed hereto.

2. An Explanatory Statement pursuant to Section 102 of the Act, relating to special businesses to be transacted at the AGM, is annexed hereto.
3. Details of the Directors proposed to be appointed / reappointed as required in terms of Regulation 36(3)

of the Listing Regulations and Secretarial Standards on General Meetings ("Secretarial Standards – 2") issued by The Institute of Company Secretaries of India, are provided at the end as an Annexure-I, and forms an integral part of this Notice.

4. The Company's Registrar and Transfer Agent (RTA) is KFin Technologies Limited, Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Hyderabad 500 032.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars on AGM through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the proxy form, attendance slip and route map are not annexed to this Notice.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and the Certificate from Secretarial Auditors of the Company certifying that the ESOP Scheme(s) of the Company are being implemented in compliance with relevant/ applicable ESOP Regulations/ Guidelines and such other documents as referred in the explanatory statement will be made available electronically for inspection by the Members during the AGM.
7. Pursuant to Sections 101 and 136 of the Act read with the relevant Rules made thereunder and Regulation 36 of the Listing Regulations read with SEBI circulars SEBI/ HO/CFD/PoD-2/P/CIR/2023/4 dated 5 January, 2023, SEBI/HO//CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024, Companies can send Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company or with the Depository Participant(s). Physical copy of the Annual Report shall be sent to those Members who request for the same at cs@elinindia.com.
8. The Notice and Annual Report will also be available on the Company's website https://www.elinindia.com/investors/#Annual_Reports, websites of the

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

- Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL i.e. www.evotingindia.com.
9. The Annual Report for the F.Y. 2024-25 including notice of AGM is being sent to those members/beneficial owners whose name appear in the register of members/list of beneficiaries received from the depositories as on Friday, 1st August, 2025. Pursuant to amended Listing Regulations, a letter containing the web link, along with the exact path to access the complete Annual Report, is being sent to shareholders who have not registered their email address with the Company's RTA or DP.
 10. Members, whose email address is not registered with the Company /RTA or with their respective Depository Participant(s) are requested to register their e-mail address in the following manner:
 - Members holding shares in physical form can register their e-mail id with the RTA by sending an e-mail to RTA at einward.ris@kfintech.com.
 - Members holding shares in demat mode may update the email address through their respective Depository Participant(s).
 11. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Saturday, 23rd August, 2025. Members are eligible to cast vote only if they are holding shares as on that date and a person who is not a member as on the cut off date should treat this notice for information purposes only.
 12. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories and Company's RTA as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through VC/ OAVM.
 13. Members of the Company who acquires shares after the sending of Notice by the Company and hold shares as on the cut-off date i.e. Saturday, 23rd August, 2025 shall follow the same procedure for e-Voting as mentioned at points no. 20 to 23.
 14. In terms of the Listing Regulations, securities of listed companies can now only be transferred in dematerialized form, so the Members are advised to dematerialize shares held by them in physical form.
 15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant(s) (DP's) and holdings should be verified from time to time.
 16. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
 17. Non-Resident Indian members are requested to inform RTA/respective DP's, immediately of:
 - Change in their residential status on return to India for permanent settlement.
 - Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code and address of the bank with pin code number, if not furnished earlier.
 18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding the shares in physical form can submit their PAN details to the Company/RTA.
 19. Members are requested to note that under Section 124 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government of India. The Company has uploaded information of unclaimed dividends on its website upto the financial year ended 31st March, 2025 at www.elinindia.com. The concerned members are requested to verify the details of their unclaimed amounts, if any, from the said websites and write to the Company's Secretarial department at Corporate Office / RTA before the same becoming due for transfer to the Investor Education and Protection Fund.

20. AGM THROUGH VIDEO CONFERENCING

- The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- The remote e-voting period begins on Wednesday, 27th August, 2025 (9:00) a.m. and ends on Friday, 29th August, 2025 (5:00) p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Saturday, 23rd August, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The facility for e-Voting will also be made available during the AGM and the Shareholders

attending the AGM who have not cast their vote by remote e-Voting shall be eligible to vote through the e-Voting system during the AGM. The Shareholders who have cast their vote by remote e-Voting may also attend the AGM but shall not be entitled to cast their vote again.

- In order to increase the efficiency of the voting process, all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants, able to cast their vote without having to register again with the e-Voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

21. THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 4. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8 digit DP ID, 8 digit Client id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting .
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

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Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

Step 2 : Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on "Shareholders" module.
- Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

For Members holding shares in physical mode and Non-Individual Members holding shares in demat mode

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- After entering these details appropriately, click on "SUBMIT" tab.
- Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN of the ELIN ELECTRONICS LIMITED on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

22. ADDITIONAL FACILITY FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS –FOR REMOTE E-VOTING ONLY.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at fcs.ppa@gmail.com and to the Company at the email address viz;

agm43@elinindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

23. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company i.e. ELIN ELECTRONICS LIMITED will be displayed after successful login as per the instructions mentioned above for remote e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Members desiring any information/clarification on the accounts or any matter to be placed at the AGM are requested to write to the Company at agm43@elinindia.com at least seven days before AGM from their registered email address mentioning their name, DPID Client ID / Folio no. and mobile number to enable the management to keep information ready at the AGM. Members desiring to seek information/clarification during the AGM on the accounts or any matter to be placed at the AGM may ask through the chat box facility provided by CDSL. These queries will be replied by the Company suitably by email.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through

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remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

- If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

24. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to RTA at einward.ris@kfintech.com.
- **For Demat shareholders-** Please update your email id & mobile no. with your respective Depository Participant (DP).
- **For Individual Demat shareholders –** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A

Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

25. OTHER INFORMATION

- Mr. Pramod Prasad Agarwal from M/s. P.P. Agarwal & Co., Company Secretaries (CP No. 10566) has been appointed as the Scrutinizer to scrutinize the remote e-voting and e-voting during the meeting in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 2 (two) working days from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
- The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [https://www .elinindia.com](https://www.elinindia.com) and on the website of CDSL at www.evotingindia.com immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
- Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e. Saturday, 30th August, 2025.
- The recorded transcript of the AGM will be hosted on the website of the Company at www.elinindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 4:

Members may note that pursuant to recent amendments to Regulation 24A of the SEBI Listing Regulations, the Board of Directors at its meeting held on May 26, 2025 upon the recommendation of Audit committee have approved the appointment of M/s. P.P. Agarwal & Co, Company Secretaries, as the Secretarial Auditors of the Company for a first term of five consecutive years, commencing from financial year 2025-26 till financial year 2029-30. The appointment is subject to shareholders' approval at this Annual General Meeting.

The Firm P. P. Agarwal & Co. owned by Mr. Pramod Prasad Agarwal is empanelled as a Corporate law Consultant with many listed companies and few public sector enterprises like BHEL, ONGC, MMTC, NHPC, Oil India Limited and Delhi Transco Limited. As consultant, the firm provides technical guidance, opinions and expertise to the clients in various corporate law matters ensuring proper and correct adherence of the legal provisions.

M/s. P.P. Agarwal & Co, Company Secretaries has provided its consent to act as the Secretarial Auditors of the Company and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations. They also confirmed that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India (ICSI) and hold a valid certificate issued by the Peer Review Board of the ICSI. Accordingly, the consent of the shareholders is sought for the appointment of P.P. Agarwal & Co. as the Secretarial Auditors of the Company. There is no change in proposed fee of M/s. P.P. Agarwal & Co, Company Secretaries from that paid to M/s. Akshat Garg & Associates, Company Secretaries, (outgoing Secretarial Auditors). The Board of Directors recommends the resolution for approval by the Members, as set out at Item No. 4 of the Notice. None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution.

ITEMS No. 5, 6 and 7

Members may note that the members at their Annual General Meeting held on November 18, 2020 approved the appointment of Mr. Sumit Sethia, Whole-time Director of the Company for a period of 5 years w.e.f. June 03, 2020 to June 02 2025, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013.

Members may also note that tenure of Mr. Sumit Sethia, Whole-time Director, liable to retire by rotation will expire on June 02, 2025 and in terms of Resolution No.5, re-

appointment will take effect from June 03, 2025. Members may further note that in terms of provisions of Regulation 17(1C) of Listing Regulations, *"the listed entity shall ensure that approval of shareholders for appointment or reappointment of a person on the board of directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier."*

Accordingly, in compliance of Regulation 17(1C) of Listing Regulations, the Shareholders approval for the re-appointment of Mr. Sumit Sethia as Whole-time Director is required to be taken *at the next general meeting or within a time period of three months from the date of re-appointment (June 03, 2025), whichever is earlier.*

Further, the Board of Directors at their meeting held on May 26, 2025 upon the recommendation of Nomination and remuneration committee and Audit Committee has approved the re-appointment of Mr. Sumit Sethia, Whole-time Director, liable to retire by rotation, for a period of five years w.e.f. June 03, 2025 to June 02, 2030 including remuneration (as mentioned in resolution no.5 of this notice) subject to approval of the Members by way of Special Resolution at this Annual General Meeting.

Members may also note that the members at their Annual General Meeting of the Company held on September 30, 2021 approved the re-appointment of Mr. Kamal Sethia (DIN: 00081116) as Whole-time Director, liable to retire by rotation w.e.f. 1st April, 2021 to 31st March, 2026 and re-designated as Managing Director w.e.f. September 06, 2021 and also approved the re-appointment of Mr. Sanjeev Sethia (DIN: 00354700), Whole-time Director of the Company for a period of 5 years w.e.f. 1st April, 2021 to 31st March, 2026.

The tenure of Mr. Kamal Sethia (DIN: 00081116) as Managing Director and Mr. Sanjeev Sethia (DIN: 00354700), as Whole-time Director will expire on 31st March, 2026.

Members may note that pursuant to proviso of Section 196(2) of Companies Act, 2013, No re-appointment shall be made earlier than one year before the expiry of their term.

Members may further note that the Board of Directors also at their meeting held on 26th May, 2025 upon the recommendation of Nomination and remuneration committee and Audit Committee has approved the re-appointment of Mr. Kamal Sethia (DIN: 00081116), Managing Director, liable to retire by rotation and Mr. Sanjeev Sethia (DIN: 00354700), Whole-time Director, liable to retire by rotation, for a period of 5 years w.e.f.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

1st April, 2026 to 31st March, 2031 including remuneration (as mentioned in resolution no. 6 and 7 of this notice) subject to approval of the Members by way of Special Resolution at this Annual General Meeting.

Members may also note that the re-appointment and payment of remuneration proposed through items no. 6 and 7 will take effect from 1st April, 2026, as their existing terms and conditions of appointment will continue till 31st March, 2026.

Members may further note that their approval by way of Special Resolution is also required in terms of Section 196 of the Companies Act, 2013, for continuation of Mr. Kamal Sethia (DIN: 00081116) as Managing Director, liable to retire by rotation, who will attain the age of 70 years in the year 2027-2028.

Members may note that “Mr. Sumit Sethia, Whole-time Director, Mr. Kamal Sethia, Managing Director and Mr. Sanjeev Sethia, Whole-time Director” referred to as an Executive Directors are not disqualified from being appointed as a Director in terms of Section 164 of the Act and have given their consent to act as a Whole Time Director/Managing Director. The Executive Directors are not debarred from holding the office of Director, pursuant to any SEBI order or any other such authority. Further the Board is of opinion that there association would be of immense benefit to the Company and it is desirable to continue to avail their services as an Executive Directors.

The Board considered the feedback/views of Nomination and Remuneration Committee on the performance evaluation of Executive Directors while approving their

re-appointment for a period of five years, subject to the approval of shareholders of the Company.

Details of Executive Directors are provided in the “Annexure-I” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Members may also note that pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate / nil profits, may subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel for the period of three years as may be decided by the Board of Directors upon the recommendation of Nomination and Remuneration Committee.

Members may note that overall remuneration payable to Executive Directors are in excess of 10 per cent of the net profits of the Company calculated in terms of Section 198 of the Companies Act, 2013 and will require approval of Shareholder through Special Resolution. It is clarified that no increase in remuneration of the Executive Directors is proposed in terms of the resolutions set out at Item nos. 5, 6 and 7 of this Notice vis-à-vis the remuneration already paid to directors in the financial year 2024-2025.

The Board of Directors upon recommendation of Audit Committee and Nomination and Remuneration Committee at its meeting held on 26th May, 2025 approved the remuneration of Executive Directors, for a period of three years, subject to the approval of shareholders, as per following details:

S.No	Name of Director	Particulars of Remuneration	Resolution Details
1	Mr. Sumit Sethia, Whole-time Director	₹ 8,00,000 per month including perquisites w.e.f. 3 rd June, 2025 to 2 nd June, 2028	Special Resolution
2	Mr. Kamal Sethia, Managing Director	₹ 8,00,000 per month including perquisites w.e.f. 1 st April, 2026 to 31 st March, 2029	Special Resolution
3	Mr. Sanjeev Sethia, Whole-time Director	₹ 8,00,000 per month including perquisites w.e.f. 1 st April, 2026 to 31 st March, 2029	Special Resolution

Members may also note that proposed remuneration as set forth in the resolutions is as per the Nomination and Remuneration Policy of the Company.

Members may further note that remuneration of all executive Directors are within the limits prescribed in the aforesaid Section-II (A) of Part-II of Schedule V of the Companies Act, 2013. The remuneration in excess of limits prescribed under Section-II (A) of Part-II of Schedule V of the Companies Act, 2013 be paid to all executive Directors if approved by Shareholders through Special Resolution.

Members of the Company may note that their approval by way of Special Resolution is also required in terms of Regulation 17(6) (e) of Listing Regulations, for paying remuneration to Executive Directors for an amount exceeding ₹ 5 Crores per annum or 2.5 % of net profits of the Company, whichever is higher.

The terms contained in the resolutions at Items no. 5,6 and 7 of this Notice shall constitute the written memorandum setting out the terms of appointment under Section 190 of the Act. Further, the Company is not in default in payment of dues to any bank or public financial institution or to any other secured creditor, and accordingly their prior approval is not required, for approval of the proposed special resolutions.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

Disclosure under Section 200 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

1. Financial and operating performance of the Company during the three preceding financial years:

(₹ in Millions)

Year Ended	Turnover	Profit before tax	Profit after tax	EPS In ₹
31 st March, 2023	8,670.64	276.84	211.55	4.77
31 st March, 2024	8,352.00	181.92	127.39	2.57
31 st March, 2025	9449.47	272.83	201.72	4.06

2. Remuneration or commission drawn by individual concerned in any other capacity from the Company:

No

3. Remuneration or Commission drawn by managerial Personnel from any other company

No

4. Professional qualification and experience

As stated in Annexure-I to this Explanatory Statement

5. Relationship between remuneration and performance

All Executive Directors (ED's) have been entrusted with the responsibility to manage the affairs of the Company. The Company has made major capacity expansions under their leadership. All ED's devote whole-time attention to the management of the affairs of the Company and exercises powers under the supervision of the Board of the Company.

6. The principle of proportionality of remuneration within the Company, ideally by a rating methodology which compares the remuneration of directors to that of other directors on the board who receives remuneration and employees or executives of the Company.

The Remuneration of Directors, Non-Executive Directors (Including Independent Directors), KMPs and Senior Management Personnel is governed by the Board-approved Nomination & Remuneration Policy.

7. Whether remuneration policy for directors differs from remuneration policy for other employees and if so, an explanation for the difference.

The Company has a clearly laid out Board-approved Nomination and Remuneration Policy for the following:

- Directors including Non-Executive (Independent) Directors;
- Key Managerial Personnel
- Senior Management Personnel

The evaluation of performance of KMPs & Senior Management Personnel is done by Nomination & Remuneration Committee on annual basis. The performance of employees is measured by their respective HOD(s) and the annual reward is linked to the evaluation of individual's performance.

8. Securities held by the director, including options and details of the shares pledged as at the end of the preceding financial year.

Mr. Kamal Sethia- 45,76,700 Equity Shares

Mr. Sanjeev Sethia-10,41,500 Equity Shares

Mr. Sumit Sethia- 6,55,804 Equity Shares

The details required under Section II of Part II of Schedule V are attached as Annexure-II to this explanatory statement.

The Executive Directors are concerned or interested in the items no. 5, 6 and 7 respectively of the accompanying notice. Their relatives to the extent of their shareholding are concerned or interested in the said resolutions.

Mr. Mangilall Sethia, Chairman and Whole-time Director and Mr. Kishore Sethia, Key Managerial Personnel being relative of Mr. Kamal Sethia, Managing Director are also concerned or interested in the item no 6 of this notice.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested financially or otherwise in the aforesaid Resolutions. This statement may also be regard as an appropriate disclosure under the Listing Regulations.

Item no. 8:

In accordance with the provision of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of the Company, for product and services, specified under

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

Rules issued in pursuance to the above Section. On the recommendation of the Audit Committee, the Board of Directors had approved re-appointment of M/s Bhavna Jaiswal & Associates, Cost Accountant (Firm Registration number 100608), as the Cost Auditor of the Company to conduct audit of cost records maintained by the Company for the FY 2025-26 at a remuneration of ₹75,000/- plus applicable tax and out of pocket expenses. M/s Bhavna Jaiswal & Associates, Cost Accountants, have furnished certificate regarding their eligibility for appointment as Cost Auditors of the Company. In accordance with the provision of Section 148 of the Act read with the Rules, the remuneration payable to the cost auditor has to be ratified by the shareholder of the Company.

The Board recommends the resolution set out at Item No. 8 of the Notice for your approval as an Ordinary Resolution.

None of the Directors and their relatives is concerned or interested, in the proposed Resolution.

**BY ORDER OF THE BOARD OF DIRECTORS
For Elin Electronics Limited**

sd/-

Lata Rani Pawa

Company Secretary & Compliance Officer
M.NO-A30540

Place: New Delhi

Date: 26th May, 2025

Registered and Corporate Office:

4771, Bharat Ram Road, 23, Daryaganj, New Delhi – 110002,

CIN: L29304DL1982PLC428372,

Website: www.elinindia.com

Emailid: rkc@elinindia.com

Tel: +91 011 43000400

Annexure-I

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 43RD ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE SECRETARIAL STANDARDS – 2 FOR GENERAL MEETINGS ARE AS MENTIONED BELOW:

Name Of Director	KAMAL SETHIA	SANJEEV SETHIA	SUMIT SETHIA
Category of Directorship	Managing Director	Whole-time Director	Whole-time Director
DIN	00081116	00354700	00831799
Date of Birth	28 th October, 1957	22 nd April, 1969	1 st April, 1973
Age	67 Years	56 Years	52 Years
Date of appointment on the Board	6 th August, 2007	29 th August, 2008	3 rd June, 2020
Qualification, Experience & Expertise in Specific Functional Areas	Kamal Sethia, is the Managing Director of the Company. He is also a Promoter of the Company and has been a part of the Company since 1992. He holds a bachelor's degree in commerce from University of Delhi. He has approximately 45 years of experience in electronic manufacturing services sector.	Sanjeev Sethia, is the Whole-time Director on the Board of your Company. He is also a Promoter of the Company. He has BS Electrical Engineering degree from USA. He is having an experience of more than 31 years, in manufacturing business line of the Company.	Sumit Sethia, is the Whole-time Director on the Board of your Company. He is also a Promoter of the Company. He is commerce graduate from university of Calcutta. He is having an experience of more than 28 years in manufacturing business line of the Company.
No. of other Directorships	Kanchan Commerical Co. Private Limited Magtronic Devices Pvt. Ltd	Sanpre Designs Private Limited	Sethia Realty Private Limited
Listed entities from which Director has resigned in last 3 years	-	-	-
Chairman / Member of the Committees of the Board of Elin Electronics Limited	Audit committee- Member. Stakeholders Relationship committee – Member. CSR Committee-Chairman Risk Management committee-Chairman	Risk Management committee- Member. CSR Committee- Member.	Nil
Committee Membership/ Chairmanship in other Companies	Nil	Nil	Nil
Shareholding (including shareholding as a beneficial owner) in Elin Electronics Limited as on 31 st March, 2025	45,76,700 equity shares	10,41,500 equity shares	6,55,804 equity shares
Number of Board Meetings attended during the year	6	6	4
Terms and conditions of appointment / re-appointment	Mentioned in item no.6 of the Notice	Mentioned in item no.7 of the Notice	Mentioned in item no.5 of the Notice
Remuneration sought to be paid and the remuneration Last drawn	₹ 8,00,000 per month including perquisites, and the remuneration Last drawn was also ₹ 8,00,000 per month including perquisites.	₹ 8,00,000 per month including perquisites, and the remuneration Last drawn was also ₹ 8,00,000 per month including perquisites.	₹ 8,00,000 per month including perquisites, and the remuneration Last drawn was also ₹ 8,00,000 per month including perquisites.
Relationship with Other Directors, Manager and Key Managerial Personnel	Mr. Mangilall Sethia, Chairman and Whole-time Director and Mr. Kishore Sethia, Key Managerial Personnel are relative of Mr. Kamal Sethia, Managing Director	No relationship with other Director, Manager and Key Managerial Personnel	No relationship with other Director, Manager and Key Managerial Personnel

ANNEXURE-II

(A) Disclosure(s) in terms of Sections 197 read with Schedule V to the Companies Act, 2013, applicable Rules thereunder.

I. General information:

a.	Nature of Industry	The Company is a leading electronics manufacturing services ("EMS") manufacturer of end-to end product solutions for major brands of lighting, fans, and small/ kitchen appliances in India, and are one of the largest fractional horsepower motors manufacturers in India.
b.	Date or expected date of commencement of Commercial Production	The Company was incorporated on March 26, 1982 and its operating activities commenced thereafter.
c.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
d.	Financial performance based on given indicators	Detailed in explanatory statement mentioned in items no 5,6 and 7
e.	Foreign investments or collaborators, if any:	At present, the Company has not made any foreign investments and has not entered into any foreign collaboration.

II. Information about the appointee to whom the remuneration is payable (s):

Name of Directors	Mr. Kamal Sethia, Mr. Sanjeev Sethia and Mr. Sumit Sethia
Background details	The background details and profile of Mr. Kamal Sethia, Mr. Sanjeev Sethia and Mr. Sumit Sethia are stated in "Annexure-I" to this Notice.
Past remuneration	Mr. Kamal Sethia- ₹ 8,00,000 per month including perquisites Mr. Sanjeev Sethia - ₹ 8,00,000 per month including perquisites Mr. Sumit Sethia- ₹ 8,00,000 per month including perquisites
Recognition or awards	Available on the website of the Company under Investors Section.
Job profile and his suitability	All Executive Directors of the Company, are highly experienced and controls the affairs of the Company as a whole under the direction of the Board of Directors of the Company. They have successfully and in a sustained way contributed significantly towards growth in performance of the Company. They have extensive experience in the manufacturing industry in which Company operates.
Remuneration proposed	As mentioned in the resolution nos. 5,6 and 7 of this notice
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The current remuneration being paid to Executive Directors (looking at the profile of the position and person) is lower than the remuneration being paid by the Companies of comparable size in the industry in which the Company operates. Also, there is no change in the proposed remuneration of Executive Directors as they were drawing in FY 25.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any	Mr. Mangilall Sethia, Chairman and Whole-time Director and Mr. Kishore Sethia, Key Managerial Personnel are relative of Mr. Kamal Sethia, Managing Director

III OTHER INFORMATION:

1. Reasons for inadequate profits (calculated in terms of section 198 of the Act):

While the Company is having profits, however, the inadequacy of profits, if any may arise as a result of sharp increase in the Raw Material prices by 1.6% which has impacted our bottom line in the FY 2024-25.

2. Steps taken or proposed to be taken for improvement:

We are focused to improve our efficiency and reduce our cost and introducing new Vendors whose prices are competitive.

3. Expected increase in productivity and profits in measurable terms:

We are enhancing our customer base as well as product segment which will boost our top line and bottom line within next 2 years.

NOTES



ELIN ELECTRONICS LIMITED

Registered Office -
4771, Bharat Ram Road, 23, Daryaganj,
Delhi - 110 002
CIN- L29304DL1982PLC428372
Tel: +91 11 4300 0400