**EPACK COMPONENTS PRIVATE LIMITED**
**(Formerly known as E-Durables Prefab Private Limited)**
**Balance sheet as at March 31, 2023**
**(Amount in Rs lakhs, unless otherwise stated)**

| | Particulars | Notes | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|
| | **ASSETS** | | | |
| **(1)** | **Non-current assets** | | | |
| | (a) Property, plant and equipment | 3(i) | 2,827.49 | 3,251.45 |
| | (b) Capital work-in-progress | 3(ii) | 83.51 | 7.62 |
| | (c) Other intangible assets | 3(iii) | - | - |
| | (d) Right of use assets | 3(iv) | 1,329.76 | 1,231.10 |
| | (e) Financial assets | | | |
| | (i) Investments | 4 | 130.89 | 130.89 |
| | (ii) Other financials assets | 5(i) | 18.00 | 1.00 |
| | (f) Income tax assets (net) | 6 | 50.40 | 31.96 |
| | (g) Other non-current assets | 7(i) | 13.01 | 42.76 |
| | **Total Non-current assets** | | **4,453.06** | **4,696.78** |
| **(2)** | **Current assets** | | | |
| | (a) Inventories | 8 | 1,973.05 | 3,577.73 |
| | (b) Financial assets | | | |
| | (i) Trade Receivables | 9 | 1,644.73 | 154.07 |
| | (ii) Cash and cash equivalents | 10 | 1.09 | 430.59 |
| | (iii) Bank balances other than (ii) above | 11 | 26.22 | 114.39 |
| | (iv) Other financials assets | 5(ii) | 1.78 | 12.22 |
| | (c) Other current assets | 7(ii) | 142.60 | 497.61 |
| | **Total Current assets** | | **3,789.47** | **4,786.61** |
| | **Total Assets** | | **8,242.53** | **9,483.39** |
| | **EQUITY AND LIABILITIES** | | | |
| | **Equity** | | | |
| | (a) Equity share capital | 12 | 3,164.84 | 3,164.84 |
| | (b) Other equity | 13 | 491.86 | 288.14 |
| | **Total Equity** | | **3,656.70** | **3,452.98** |
| | **Liabilities** | | | |
| **(1)** | **Non-current liabilities** | | | |
| | (a) Financial liabilities | | | |
| | (i) Borrowings | 14(i) | - | 4.05 |
| | (b) Provisions | 15(i) | 74.49 | 58.01 |
| | (c) Deferred tax liabilities (net) | 16 | 326.48 | 383.98 |
| | **Total Non-current Liabilities** | | **400.97** | **446.04** |
| **(2)** | **Current liabilities** | | | |
| | (a) Financial liabilities | | | |
| | (i) Borrowings | 14(ii) | - | 441.53 |
| | (ii) Trade Payables | 17 | | |
| | - Total Outstanding dues of Micro Enterprises and Small Enterprises; | | 205.58 | 236.00 |
| | - Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises | | 3,719.75 | 4,161.34 |
| | (iii) Other financial liabilities | 18 | 224.74 | 242.92 |
| | (b) Other current liabilities | 19 | 21.71 | 481.63 |
| | (c) Provisions | 15(ii) | 13.08 | 10.85 |
| | (d) Current tax liabilities | | - | 10.10 |
| | **Total Current liabilities** | | **4,184.86** | **5,584.37** |
| | **Total Liabilities** | | **4,585.83** | **6,030.41** |
| | **Total Equity and Liabilities** | | **8,242.53** | **9,483.39** |

Summary of significant accounting policies 2

The accompanying notes forms integral part of financial statements

As per our report of even date attached
**For Deloitte Haskins & Sells**
**Chartered Accountants**

Deloitte Haskins & Sells Chartered Accountants

**Akash Kumar Agarwal**
Partner

Place : Greater Noida
Date : July 13, 2023

For and on behalf of Board of Directors
**EPACK Components Private Limited**

Ajay DD Singhania

**Ajay DD Singhania**
Director
DIN: 00107555

Place : Greater Noida
Date : July 13, 2023

**Bajrang Bothra**
Director
DIN: 00129286

**Khushboo Mishra**
Company Secretary
Membership No. A36679

EPACK Components Private Limited Greater Noida

**EPACK COMPONENTS PRIVATE LIMITED**
**(Formerly known as E-Durables Prefab Private Limited)**
**Statement of profit and loss for the year ended March 31, 2023**
**(Amount in Rs lakhs, unless otherwise stated)**

| Particulars | Notes | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from operations | 20 | 13,033.28 | 13,930.49 |
| Other income | 21 | 13.81 | 20.30 |
| **Total income** | | **13,047.09** | **13,950.79** |
| **EXPENSES** | | | |
| Cost of materials consumed | 22(i) | 9,695.60 | 11,612.13 |
| Purchases of stock-in-trade | 22(ii) | 1,075.37 | - |
| Change in inventories of finished goods and work-in-progress | 23 | (107.18) | 206.26 |
| Employee benefits expense | 24 | 525.21 | 533.00 |
| Finance costs | 25 | 23.34 | 104.96 |
| Depreciation and amortisation expense | 26 | 435.15 | 464.93 |
| Other expenses | 27 | 1,112.34 | 897.57 |
| **Total Expenses** | | **12,759.83** | **13,818.85** |
| **Profit before tax** | | **287.26** | **131.94** |
| **Tax expenses:** | 28 | | |
| Current tax | | 133.27 | 99.06 |
| Tax pertaining to earlier years | | 3.13 | 1.75 |
| Deferred tax | | (56.33) | (60.90) |
| **Total** | | **80.07** | **39.91** |
| **Profit for the year** | | **207.19** | **92.03** |
| **Other Comprehensive Income (OCI)** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Re-measurment (loss)/gain on defined benefit plans | | (4.64) | 3.04 |
| Tax effect on above | | 1.17 | (0.76) |
| **Other Comprehensive Income for the year** | | **(3.47)** | **2.28** |
| **Total Comprehensive Income for the year** | | **203.72** | **94.31** |
| **Earnings per equity share :** | 29 | | |
| Basic (face value of Rs. 10/- each) | | 0.65 | 0.29 |
| Diluted (face value of Rs. 10/- each) | | 0.65 | 0.29 |
| Summary of significant accounting policies | 2 | | |

The accompanying notes forms integral part of financial statements

As per our report of even date attached
**For Deloitte Haskins & Sells**
**Chartered Accountants**

Deloitte Haskins & Sells Chartered Accountants

**Akash Kumar Agarwal**
Partner

Place : Greater Noida
Date : July 13, 2023

For and on behalf of Board of Directors
**EPACK Components Private Limited**

Ajay DD Singhania

**Ajay DD Singhania**
Director
DIN: 00107555

**Bajrang Bothra**
Director
DIN: 00129286

**Khushboo Mishra**
Company Secretary
Membership No. A36679

EPACK Components Private Limited Greater Noida

Place : Greater Noida
Date : July 13, 2023

**EPACK COMPONENTS PRIVATE LIMITED**
**(Formerly known as E-Durables Prefab Private Limited)**
**Statement of cash flows for the year ended March 31, 2023**
**(Amount in Rs lakhs, unless otherwise stated)**

| | Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|
| A. | **Cash flow from Operating activities** | | |
| | Profit after tax | 207.19 | 92.03 |
| | **Adjustments:** | | |
| | Tax expense | 80.07 | 39.91 |
| | Depreciation and amortisation expense | 435.15 | 464.93 |
| | Unrealised foreign exchange (gain)/loss | (8.46) | 2.75 |
| | Loss allowance for doubtful receivables | 0.15 | - |
| | Amount written off | 8.70 | 1.19 |
| | Liabilities no longer required, written back | (0.12) | (16.24) |
| | Loss on sale of property, plant & equipment (net) | - | 23.77 |
| | Finance costs | 23.34 | 104.96 |
| | Interest income | (3.11) | (4.06) |
| | **Operating profit before working capital changes** | **742.91** | **709.24** |
| | **Changes in working capital:** | | |
| | Adjustments for (increase)/decrease in operating assets: | | |
| | Inventories | 1,604.68 | 1,279.76 |
| | Trade receivables | (1,489.89) | 1,685.88 |
| | Financial assets | 1.60 | 147.21 |
| | Other assets | 387.92 | 399.92 |
| | Adjustments for increase/(decrease) in operating liabilities: | | |
| | Trade payable | (464.35) | (1,908.91) |
| | Other financial liabilities | 16.26 | 103.11 |
| | Provisions | 14.08 | 4.56 |
| | Other liabilities | (459.90) | 381.39 |
| | **Cash generated from/(used in) operations** | **353.31** | **2,802.16** |
| | Income tax paid (net of refund) | (164.95) | (112.77) |
| | **Net cash flow from/(used in) operating activities (A)** | **188.36** | **2,689.39** |
| B | **Cash flow from Investing activities** | | |
| | Acquisition of property, plant and equipment, capital work-in-progress and intangible assets | (113.04) | (82.40) |
| | Proceeds from sale of property, plant and equipment | 7.33 | 12.50 |
| | Acquisition of leasehold land (included in right of use assets) | (116.42) | - |
| | Investment in other companies | - | (130.89) |
| | (Redemption of)/investment in bank deposits (net) | 71.17 | (114.39) |
| | Interest received | 3.26 | 3.83 |
| | **Net cash flow used in investing activities (B)** | **(147.70)** | **(311.35)** |
| C | **Cash flow from financing activities** | | |
| | Repayments of long term borrowings | (157.60) | (245.77) |
| | Proceeds/(repayment) from short term borrowing (net) | (287.98) | (1,892.22) |
| | Interest paid on borrowings | (22.73) | (103.76) |
| | Other finance cost paid | (1.85) | (8.61) |
| | **Net cash flow used in financing activities (C)** | **(470.16)** | **(2,250.36)** |
| | **Increase / (decrease) in cash and cash equivalents (A+B+C)** | **(429.50)** | **127.68** |
| | Cash and cash equivalent at the beginning of the year (refer note 10) | 430.59 | 302.91 |
| | **Cash and cash equivalent at the end of the year (refer note 10)** | **1.09** | **430.59** |

**Note:** The above standalone statement of cash flows has been prepared under the "Indirect method" as set out in Ind AS 7, "Statement of Cash flows".

Summary of significant accounting policies (refer note 2)

The accompanying notes forms integral part of financial statements

As per our report of even date attached
**For Deloitte Haskins & Sells**
**Chartered Accountants**

**Akash Kumar Agarwal**
Partner

Place : Greater Noida
Date : July 13, 2023

For and on behalf of Board of Directors
**EPACK Components Private Limited**

Ajay DD Singhania

**Ajay DD Singhania**
Director
DIN: 00107555

**Bajrang Bothra**
Director
DIN: 00129286

**Khushboo Mishra**
Company Secretary
Membership No. A36679

Place : Greater Noida
Date : July 13, 2023

**EPACK COMPONENTS PRIVATE LIMITED**
**(Formerly known as E-Durables Prefab Private Limited)**
**Statement of changes in equity for the year ended March 31, 2023**
**(Amount in Rs lakhs, unless otherwise stated)**

**A. Equity share capital**

| Particulars | Number of shares | Amount |
|---|---|---|
| **As at April 1, 2021** | **3,16,48,364** | **3,164.84** |
| Issued during the year | - | - |
| **As at March 31, 2022** | **3,16,48,364** | **3,164.84** |
| Issued during the year | - | - |
| **As at March 31, 2023** | **3,16,48,364** | **3,164.84** |

**B. Other equity**

| Particulars | Other equity | |
|---|---|---|
| | Reserves and Surplus | Total |
| | Retained earnings | |
| **As at April 1, 2021** | **193.83** | **193.83** |
| Profit for the year | 92.03 | 92.03 |
| Other comprehensive income / (loss) (net of tax) | 2.28 | 2.28 |
| **Total** | **94.31** | **94.31** |
| **As at March 31, 2022** | **288.14** | **288.14** |
| Profit for the year | **207.19** | **207.19** |
| Other comprehensive income / (loss) (net of tax) | (3.47) | (3.47) |
| **Total** | **203.72** | **203.72** |
| **As at March 31, 2023** | **491.86** | **491.86** |

Summary of significant accounting policies (refer note 2)

The accompanying notes forms integral part of financial statements

As per our report of even date attached
**For Deloitte Haskins & Sells**
**Chartered Accountants**

Deloitte Haskins & Sells Chartered Accountants

Anagh Agarwal

**Akash Kumar Agarwal**
Partner

Place : Greater Noida
Date : July 13, 2023

For and on behalf of Board of Directors
**EPACK Components Private Limited**

Ajay DD Singhania

**Ajay DD Singhania**
Director
DIN: 00107555

**Bajrang Bothra**
Director
DIN: 00129286

Khushboo

**Khushboo Mishra**
Company Secretary
Membership No. A36679

EPACK Components Private Limited Greater Noida

Place : Greater Noida
Date : July 13, 2023

**EPACK COMPONENTS PRIVATE LIMITED**
**(Formerly known as E-Durables Prefab Private Limited)**
Notes to Financial Statements

## 1. Corporate information

Epack Components Private Limited ("the Company") formerly known as E-Durables Prefab Private Limited having CIN U74999UP2019PTC115950 was incorporated on April 18, 2019 under the Companies Act, 2013 by converting "E-durables" a partnership firm ("the Firm") with the consent of all the partners. The Company is engaged in the business of manufacturing of Electronics consumer durable items. The registered office of the Company is located at 61-B, Udyog Vihar, Surajapur, Kasna Road, Greater Noida-201306, Gautam Buddha Nagar, Uttar Pradesh, India.

## 2. Significant accounting policies

### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under section 135 of the Companies Act 2013.

The financial statements have been prepared on accrual and going concern basis under historical cost convention except for certain financial instruments and plan assets, which are measured at fair values. The accounting policies are applied consistently to all the periods presented in the financial statements.

As at March 31, 2023, the Company's current liabilities exceeded its total current assets by Rs.395.39 lakhs (As at March 31, 2022: by Rs.797.76 Lakhs). The management has carried out an assessment of the Company's ability to continue as a going concern, inter-alia considering that the Company has generated profits from its operations during the current and immediately preceding financial year, the working capital position is improving year on year, and based on the business plan, the management is confident that the Company would be able to generate sufficient cash flows to meet its liabilities, obligations, and commitments. Further, the Company has received a letter of support from its holding company to provide unconditional and irrevocable financial and operational support to the Company, in the event, Company is unable to meet its liabilities, obligations and commitments. Accordingly, the financial statements of the Company for the year ended March, 31, 2023 have been prepared by the management on a 'Going Concern' basis.

The financial statements are presented in Indian Rupees (INR) in lakh and all values are rounded to the nearest lakh (INR 00,000), except when otherwise stated.

The significant accounting policies and measurement bases have been summarised below

### 2.2 Significant accounting policies

#### a. Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and as per terms of agreements wherever applicable. The company has considered a normal operating cycle of 12 months. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

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EPACK Components Private Limited Greater Noida

**Revenue recognition**

**Sale of goods**

Sales are recognized, at transaction price as per terms of agreements with the customers, net of returns and other variable consideration on account of discounts, if any, on satisfaction of performance obligation by transfer of effective control of the promised goods to the customers, which generally coincides with dispatch/ delivery to customers, as applicable. Sales excludes goods and services tax.

The Company recognises revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and degree of managerial involvement associated with ownership or effective control have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transactions and the specifics of each arrangement.

Revenue is recognized for domestic and export sales of goods on satisfaction of performance obligation by transfer of effective control of the promised goods to the customers as per terms of agreements with the customers.

<u>Contract modification:</u>

Contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. Contract modification are accounted based on the prospective accounting and cumulative catch up. The Company accounts for a modification as a separate contract, if both the scope increases due to the addition of 'distinct' goods or services and the price increase reflects the goods' or services' stand-alone selling prices under the circumstances of the modified contract.

**Interest Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

**b. Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants relating to income are deferred and recognised in profit or loss over the period necessary to match them with costs that they are intended to compensate and presented with other income/ other operating revenue.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss over the periods and in the proportions necessary to match then with the depreciation expense on the related assets and presented within other income.

**c. Inventories**

Inventories of raw materials, components, stores and spares are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

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EPACK Components Private Limited Greater Noida

- Raw materials and components: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition such as non-refundable duties, freight etc. Costs of Raw materials and components are computed using the weighted average cost formula.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Costs of finished goods and work in progress are computed using the weighted average cost formula.

Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

Net realisable 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.

**d. Income Taxes**

Tax expense recognized in the statement of profit and loss comprises the sum of deferred tax and current tax not recognized in Other Comprehensive Income (OCI) or directly in equity.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (i.e. in OCI or equity depending upon the treatment of underlying item).

Deferred tax liabilities are generally recognized in full for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that the deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses. 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 profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is 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 recognized outside the statement of profit and loss is recognized outside statement of profit and loss (in OCI or equity depending upon the treatment of underlying item).

**e. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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Ajay D D Singhania ADS

EPACK Components Private Limited Greater Noida

**f. Foreign currency transactions**

**Functional and Presentation currencies**

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.
Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/expenses, as the case maybe.

**g. Financial instruments**

**Initial recognition and measurement**

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

**Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

**Financial assets carried at amortised cost** – a financial instrument is measured at amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

**Financial assets at fair value**

**Investments in equity instruments (other than subsidiary)** –

All equity investments in scope of Ind AS 109, "Financial Instruments" are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination, if any to which Ind AS 103, Business combinations applies are classified as at fair value through Profit or loss. Further, there is no such equity investments measured at Fair value through profit or loss or fair value through other comprehensive income in the company.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI).

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Ajay DDSinghania

EPACK Components Private Limited Greater Noida

There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

**De-recognition of financial assets**
A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**Financial liabilities and equity**
**Classification as debt or equity**
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

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

**Initial recognition and measurement**
All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial liabilities. Transaction costs directly attributable to the acquisition of financial liabilities at fair value through profit or loss are recognised immediately in finance costs in the statement of profit and loss.

**Subsequent measurement**
All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

**De-recognition of financial liabilities**
A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Derivative financial instruments**
**Initial and subsequent measurement**
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

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Ajay D Singhania

EPACK Components Private Limited Greater Noida

**Offsetting of financial instruments**

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

**Impairment of financial assets**

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

**Trade receivables**

The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

**Other financial assets**

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**Impairment of non-financial assets**

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AjayDDSinghania

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For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed which is the higher of fair value less costs of disposal and value-in-use and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

**i. Fair value measurement**

The Company measures financial instruments such as derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the 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.

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.

**j. Investments in subsidiary and associate**

The Company has measured its investment in subsidiaries and associates at cost in its financial statements in accordance with Ind AS 27, Separate Financial Statements. Profit/loss on sale of investments is recognized on the date of sale and is computed with reference to the original cost of the investment sold.

**k. Property, plant and equipment (PPE)**

The Company has elected to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind-AS and use the same as its deemed cost as at the date of transition.

**Recognition and initial measurement**

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and definition of asset is met. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred.

**Subsequent measurement (depreciation and useful lives)**

Depreciation on property, plant and equipment is provided on straight line method based on life prescribed as per Schedule II of the Companies Act, 2013.

| Asset category | Useful lives |
|---|---|
| Plant and machinery | 15 years |
| Plant and machinery (Laboratory equipments) | 10 years |
| Factory Buildings | 30 years |
| Office equipment | 5 years |
| Computers including servers | 3-6 years |
| Electrical installations | 10 years |
| Furniture and Fixtures | 10 years |
| Vehicle | 8 years |
| Intangible Assets (Software) | 2-6 years |

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**De-recognition**

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

**l. Intangible assets**

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

**m. Capital work-in progress**

Cost of material consumed and erection charges thereon along with other direct cost incurred by the Company for the projects are shown as capital work-in-progress until capitalisation

**n. Leases**

**The Company as a lessee**

**Classification of leases**

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

**Recognition and initial measurement**

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

**Subsequent measurement**

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

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The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in standalone statement of profit and loss on a straight-line basis over the lease term.

**o. Borrowing costs**

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

**p. Provisions, contingent liabilities and contingent assets**

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognized for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made
- Contingent assets are not recognized. However, when inflow of economic benefits is probable, related asset is disclosed.

**q. 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 attached 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 income.

**r. Employee benefits**

Expenses and liabilities in respect of employee benefits are provided in accordance with Indian Accounting standard 19- Employee Benefits.

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**Defined contribution plans**

**Provident Fund**

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

**Defined benefit plans (gratuity)**

The Company operates one defined benefit plan for its employees, viz. gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gain and loss for the defined benefit plan is recognized in full in the period in which they occur in other comprehensive income.

**Short-term employee benefits**

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

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

**s. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**t. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The Company operates in a single operating segment and geographical segment.

**u. Business Combinations**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

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**v. Amendments to Ind AS issued but not yet effective**

MCA vide notification no. G.S.R. 242(E) dated March 31, 2023 has issued the Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends following Ind AS (as applicable to the Company):

- Ind AS 107, Financial Instruments: Disclosures
- Ind AS 109, Financial Instruments
- Ind AS 115, Revenue from Contracts with Customers
- Ind AS 1, Presentation of Financial Statements
- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12, Income Taxes

The amendments are applicable for annual periods beginning on or after April 1, 2023. The Company has evaluated the amendments and the impact is not expected to be material.

**2.3Significant accounting judgments, estimates and assumptions**

When preparing the financial statements management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.
Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

**Significant judgements:**

**(i) Evaluation of indicators for impairment of non-financial assets**

The evaluation of applicability of indicators of impairment of non-financial assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**(ii)Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. The recognition of deferred tax assets and reversal thereof is based on estimates of future taxable profits.

**(iii) Employee benefits**

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

**Sources of estimation uncertainty:**

**Provisions**

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 guarantees. However, the actual future outcome may be different from management's estimates. ADS

**Fair valuation of financial instruments**

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Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

**Recoverability of advances/receivables**
At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Allowance for doubtful trade receivables**
The allowance for doubtful trade receivables reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions.

**Allowance for obsolete and slow-moving inventory**
The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value, and has been determined on the basis of past experience and historical and expected future trends in the used RAC market. A worsening of the economic and financial situation could cause a further deterioration in conditions in the used RAC market compared to that taken into consideration in calculating the allowances recognised in the financial statements.

**Useful lives of depreciable/amortisable assets**
Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

**Defined benefit obligations (DBO)**
Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

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**(Amount in Rs lakhs, unless otherwise stated)**

**3(i) Property, plant and equipment**

| Particulars | Factory Building | Plant and Machinery | Electric Installation | Furniture and Fixture | Office Equipment | Computers | Vehicle | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | |
| **As at April 1, 2021** | 808.95 | 4,775.16 | 267.09 | 5.70 | 33.36 | 36.04 | 8.39 | 5,934.69 |
| Additions | 10.65 | 87.83 | - | - | - | 2.02 | - | 100.50 |
| Disposals | - | (89.37) | - | - | - | - | - | (89.37) |
| **As at March 31, 2022** | **819.60** | **4,773.62** | **267.09** | **5.70** | **33.36** | **38.06** | **8.39** | **5,945.82** |
| Additions | - | 0.75 | - | - | - | - | - | 0.75 |
| Disposals | - | (16.84) | - | - | - | - | - | (16.84) |
| **As at March 31, 2023** | **819.60** | **4,757.53** | **267.09** | **5.70** | **33.36** | **38.06** | **8.39** | **5,929.73** |
| **Accumulated Depreciation** | | | | | | | | |
| **As at April 01, 2021** | 280.07 | 1,809.51 | 139.19 | 4.52 | 30.59 | 33.30 | 7.48 | 2,304.66 |
| Additions | 25.99 | 380.21 | 33.59 | 0.38 | 0.42 | 1.46 | 0.75 | 442.80 |
| Disposals | - | (53.09) | - | - | - | - | - | (53.09) |
| **As at March 31, 2022** | **306.06** | **2,136.63** | **172.78** | **4.90** | **31.01** | **34.76** | **8.23** | **2,694.37** |
| Additions | 26.37 | 356.51 | 32.27 | 0.39 | 0.42 | 1.43 | - | 417.39 |
| Disposals | - | (9.52) | - | - | - | - | - | (9.52) |
| **As at March 31, 2023** | **332.43** | **2,483.62** | **205.05** | **5.29** | **31.43** | **36.19** | **8.23** | **3,102.24** |
| **Net Block** | | | | | | | | |
| As at March 31, 2022 | 513.54 | 2,636.99 | 94.31 | 0.80 | 2.35 | 3.30 | 0.16 | 3,251.45 |
| **As at March 31, 2023** | **487.17** | **2,273.91** | **62.04** | **0.41** | **1.93** | **1.87** | **0.16** | **2,827.49** |

**Title Deeds not held in the name of company**

| Particulars | Description | Gross carrying value | Title Deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company |
|---|---|---|---|---|---|---|
| Right of use assets | Leasehold Land | 1,279.08 | Erstwhile Partnership firm "M/S E-Durables" till May 26, 2023 and from May 27, 2023 in the name of the company. | No | September 25, 2006 | The Lease deed is in the name of M/S E-Durables, erstwhile partnership firm that was converted into the present day company. The name of the company has been updated in the records of State Infrastructure Industrial Development Corporation Uttarakhand Ltd (SIDCUL), but the execution of lease deed in the name of the company has been completed on May 27, 2023 |

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**3(ii) Capital work-in-progress**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Capital work in progress | 83.51 | 7.62 |

**Movement in capital work in progress during the year**

| Particulars | Amount |
|---|---|
| **Capital work in progress as at April 1, 2021** | - |
| Add: Additions during the year | 108.12 |
| Less: Capitalisation during the year | (100.50) |
| **Capital work in progress as at March 31, 2022** | **7.62** |
| Add: Additions during the year | 84.26 |
| Less: Capitalisation during the year | (8.37) |
| **Capital work in progress as at March 31, 2023** | **83.51** |

**As at March 31, 2023**

| Particulars | Less than 1 year | 1-2 years | 2-3 years | more than 3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| Project-2 in progress | 83.51 | - | - | - | - | **83.51** |
| **Total** | **83.51** | - | - | - | - | **83.51** |

**As at March 31, 2022**

| Particulars | Less than 1 year | 1-2 years | 2-3 years | more than 3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| Project-1 in progress | 7.62 | - | - | - | - | **7.62** |
| **Total** | **7.62** | - | - | - | - | **7.62** |

**Note:**

**a).** The Company does not have any capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

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## 3(iii) Other intangible assets

| Particulars | Software |
|---|---|
| **Gross Block (at deemed cost)** | |
| **As at April 01, 2021** | 26.45 |
| Additions | - |
| Disposals | - |
| **As at March 31, 2022** | **26.45** |
| Additions | - |
| Disposals | - |
| **As at March 31, 2023** | **26.45** |
| **Accumulated amortisation** | |
| **As at April 01, 2021** | **20.76** |
| Amortisation for the year | 5.69 |
| Disposals | - |
| **As at March 31, 2022** | **26.45** |
| Amortisation for the year | - |
| Disposals | - |
| **As at March 31, 2023** | **26.45** |
| **Net block** | |
| As at March 31, 2022 | - |
| **As at March 31, 2023** | - |

**Note:**

Amortisation for the year has been included in line item " Depreciation and amortisation expense" in statement of profit and loss.

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## 3(iv) Right of use assets

| **Particulars** | **Right of use assets Land & Building** |
|---|---|
| **Gross Block** | |
| **As at April 01, 2021** | 1,279.08 |
| Additions | - |
| Disposals | - |
| **As at March 31, 2022** | **1,279.08** |
| Additions | 116.42 |
| Disposals | - |
| **As at March 31, 2023** | **1,395.50** |
| | |
| **Accumulated Depreciation** | |
| **As at April 01, 2021** | 31.54 |
| Additions | 16.44 |
| Disposals | - |
| **As at March 31, 2022** | **47.98** |
| Additions | 17.76 |
| Disposals | - |
| **As at March 31, 2023** | **65.74** |
| | |
| **Net block** | |
| As at March 31, 2022 | 1,231.10 |
| **As at March 31, 2023** | **1,329.76** |

Note:
Factory Building has been constructed by the Company on lease hold land. The said lease hold land has been awarded to the Company for 99 years.

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## 4 Investments

**Non Current (Unquoted)**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Investment (at amortised cost)** | | |
| Equity shares in Sricity Electronics Manufacturing Cluster Private Limited | 130.89 | 130.89 |
| (13,08,900 equity shares at Rs. 10/- each, (Previous year 13,08,9000 equity shares at Rs.10/-each) | | |
| **Total** | **130.89** | **130.89** |
| Aggregate amount of unquoted investments | **130.89** | **130.89** |

## 5(i) Other financial assets

**Non Current**

**Unsecured, considered good**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Security deposits | 1.00 | 1.00 |
| Bank deposits with maturity for more than 12 months | 17.00 | - |
| **Total** | **18.00** | **1.00** |

## 5(ii) Other financial assets

**Current**

**Unsecured, considered good**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Security deposits | 0.80 | 0.80 |
| Interest accrued on deposits | 0.30 | 0.45 |
| Other receivables | 0.68 | 10.97 |
| **Total** | **1.78** | **12.22** |

## 6 Income tax assets (net)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Advance tax (net of provisions) | 50.40 | 31.96 |
| **Breakup of above:** | | |
| Non-current | 50.40 | 31.96 |
| Current | - | - |

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## 7(i) Other non-current assets

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Capital advances | | |
| Unsecured, considered good | 3.18 | 0.02 |
| Unsecured, considered doubtful | - | - |
| | **3.18** | **0.02** |
| Less: Allowance for doubtful advances | - | - |
| | **3.18** | **0.02** |
| Balance with government authorities | - | 32.91 |
| Other advances | | |
| Unsecured, considered good | - | - |
| Unsecured, considered doubtful | 15.69 | 15.69 |
| | **15.69** | **15.69** |
| Less: allowance for doubtful advances | (15.69) | (15.69) |
| | - | - |
| Security deposits | 9.83 | 9.83 |
| **Total** | **13.01** | **42.76** |

## 7(ii) Other current assets

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Advances to suppliers | | |
| Unsecured, considered good | 15.77 | 286.53 |
| Balance with government authorities | 116.12 | 201.12 |
| Prepaid expenses | 9.93 | 9.96 |
| Advance to employees | 0.78 | - |
| **Total** | **142.60** | **497.61** |

## 8 Inventories

(At lower of cost or net realisable value)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Raw materials | 1,419.09 | 2,193.18 |
| Goods-in-transit - raw materials | 266.02 | 1,203.79 |
| Work-in-progress | 287.74 | 180.55 |
| Finished goods | 0.20 | 0.21 |
| **Total** | **1,973.05** | **3,577.73** |

Notes:

i) The cost of inventories (including spares, consumables and trading goods) recognised as an expense during the year was Rs.10,866.29 lakhs (Previous year Rs.11,680.36 lakhs).

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## 9 Trade Receivable

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Trade receivables - considered good - unsecured | 1,644.73 | 154.07 |
| Trade receivables - credit impaired | 156.14 | 155.99 |
| | **1,800.87** | **310.06** |
| Less: Loss allowance | (156.14) | (155.99) |
| **Total** | **1,644.73** | **154.07** |

Refer note 32 for related party disclosures

Refer note 36 C.1 which details that the company does not have any expected loss based impairment recognised trade receivables, as such, based on management's assessments there is no significant credit risk concentration in respect of trade receivables.

**Ageing Schedule as at March 31, 2023**

| Particulars | Outstanding from due date of Payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | more than 3 years | Total |
| (i) Undisputed Trade Receivables - considered good | 1,539.20 | 73.99 | 15.26 | 16.28 | - | - | 1,644.73 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit impaired | - | - | - | - | 156.14 | - | 156.14 |
| (iv) Disputed Trade Receivables - considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - | - |
| | **1,539.20** | **73.99** | **15.26** | **16.28** | **156.14** | - | **1,800.87** |
| Less: Loss allowance | - | - | - | - | (156.14) | - | (156.14) |
| **Total** | **1,539.20** | **73.99** | **15.26** | **16.28** | - | - | **1,644.73** |

**Ageing Schedule as at March 31, 2022**

| Particulars | Outstanding from due date of Payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | more than 3 years | Total |
| (i) Undisputed Trade Receivables - considered good | 0.34 | 47.52 | 105.54 | 0.67 | - | - | 154.07 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit impaired | - | - | - | 155.99 | - | - | 155.99 |
| (iv) Disputed Trade Receivables - considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - | - |
| | **0.34** | **47.52** | **105.54** | **156.66** | - | - | **310.06** |
| Less: Loss allowance | - | - | - | (155.99) | - | - | (155.99) |
| **Total** | **0.34** | **47.52** | **105.54** | **0.67** | - | - | **154.07** |

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## 10 Cash and cash equivalents

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Balances with Banks: | | |
| in current accounts | 1.09 | 345.47 |
| Cheques on hand | - | 82.97 |
| Cash on hand | - | 2.15 |
| **Total** | **1.09** | **430.59** |

## 11 Other bank balances

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Deposits with original maturity for more than three months but less than twelve months | - | 16.61 |
| Margin Money* | 26.22 | 97.78 |
| **Total** | **26.22** | **114.39** |

* Margin money deposits with banks are lien marked.

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## 12 Equity share capital

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Authorised** | | |
| (March 31, 2023: 32,000,000 equity shares of INR 10 each) | 3,200.00 | 3,200.00 |
| (March 31, 2022: 32,000,000 equity shares of INR 10 each) | | |
| **Issued, subscribed and fully paid up** | | |
| (March 31, 2023: 31,648,364 equity shares of INR 10 each) | 3,164.84 | 3,164.84 |
| (March 31, 2022: 31,648,364 equity shares of INR 10 each) | | |

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

| Particulars | Number of shares | Amount |
|---|---|---|
| **As at April 1, 2021** | **3,16,48,364** | **3,164.84** |
| Issued during the year | - | - |
| **As at March 31, 2022** | **3,16,48,364** | **3,164.84** |
| Issued during the year | - | - |
| **As at March 31, 2023** | **3,16,48,364** | **3,164.84** |

**b) Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of 10/- per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation of the Company, the equity shareholders are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

**c) List of shareholders holding more than 5% of the equity share capital of the Company:**

| Name of the Shareholders | As at March 31, 2023 | | As at March 31, 2022 | |
|---|---|---|---|---|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| Ajay DD Singhania* | 1 | 0.00% | 1 | 0.00% |
| EPACK Durable Limited | 3,16,48,363 | 100.00% | 3,16,48,363 | 100.00% |
| | **3,16,48,364** | **100.00%** | **3,16,48,364** | **100.00%** |

*one share held as nominee shareholder

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownership of shares.

(i) The existing shareholders of EPACK Components Private Limited (ECPL) on August 01, 2021 have sold there shares to EPACK Durable Limited. The consideration has been settled by issuing 39,16,751 equity shares against 3,16,48,364 equity shares of ECPL and balance through cash amounting to Rs 0.11 lakhs.

**d) Shares held by promoters of the Company:**

**As at March 31, 2023**

| Name of promoters | As at March 31, 2023 | | As at March 31, 2022 | | %change during the year |
|---|---|---|---|---|---|
| | No. of shares | % of total shares | No. of shares | % of total shares | |
| Ajay DD Singhania* | 1 | 0.00% | 1 | 0.00% | - |

*one share held as nominee shareholder

**As at March 31, 2022**

| Name of promoters | As at March 31, 2022 | | As at March 31, 2021 | | %change during the year |
|---|---|---|---|---|---|
| | No. of shares | % of total shares | No. of shares | % of total shares | |
| Bajrang Bothra | - | - | 47,61,824 | 15.05% | -15.05% |
| Ajay DD Singhania* | 1 | 0.00% | 67,54,015 | 21.34% | -21.34% |
| Sanjay Singhania | - | - | 90,70,167 | 28.66% | -28.66% |
| Laxmi Pat Bothra | - | - | 78,46,986 | 24.79% | -24.79% |
| Rajjat Kumar Bothra | - | - | 32,15,372 | 10.16% | -10.16% |

*one share held as nominee shareholder

## 13 Other equity

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Retained earnings** | | |
| Opening balance | 288.14 | 193.83 |
| Add: Profit for the year | 207.19 | 92.03 |
| Add: Other comprehensive income / (loss) (net of tax) | (3.47) | 2.28 |
| Closing balance | **491.86** | **288.14** |

**Nature and purpose of reserves:**

**(i) Retained earnings**

Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc

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## 14(i) Borrowings

**Non Current**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Secured- at amortised cost** | | |
| Term loan from non banking financial company | - | 157.60 |
| | - | **157.60** |
| Less: Current maturities of long term borrowings (non banking financial company) | - | (153.55) |
| **Total** | - | **4.05** |

## 14(ii) Borrowings

**Current**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Secured-at amortised cost** | | |
| Current maturities of long term borrowings (non banking financial company) | - | 153.55 |
| Buyers' credit | - | 287.98 |
| **Total** | - | **441.53** |

**a) Nature of security**

| Particulars | Primary & Secondary Security | Personal Guarantees |
|---|---|---|
| HDFC Bank Limited | 1)First Pari Passu charge on Current Assets (Both Present & Future)<br>2)First Pari Passu charge on Land and Building at Plot No. C-5, UPSIDC Industrial Area, Selaqui, Dehradun (Uttarakhand)<br>3)First Pari Passu charge on movable fixed Assets (Present & Future) | Personal Guarantees of Mr. B.L. Bothra, Mr. L.P. Bothra, Mr. Sanjay Singhania and Mr. Ajay DD Singhania |
| Tata Capital Financial Services Limited | First Pari Passu charge by way of hypothecation on entire present and future Current Assets and Movable Fixed Assets<br>First Pari Passu by way of Mortgage of Land & Building situated at C-5, UPSIDC Industrial Area, Selaqui, Dehradun (Uttarakhand) | |

**b) Terms of repayment and rate of interest for respective bank loans are as below:-**

| | | As at March 31, 2023 | | As at March 31, 2022 | |
|---|---|---|---|---|---|
| **Name of Lendor** | **Nature of Loan** | **Rate of interest** | **Frequency of Installment** | **Rate of interest** | **Frequency of Installment** |
| HDFC Bank | CC/WCDL | - | - | 6% to 9% | On demand |
| Tata Capital Financial Services Limited | Term Loan-1 | - | - | 11.25% | Monthly |
| | Term Loan-2 | - | - | 11.25% | Monthly |

**c) Reconciliation of liabilities arising from financing activities**

| Particulars | Long term Borrowings (including current maturities | Short term Borrowings | Interest and finance charges | Total |
|---|---|---|---|---|
| **As at April 1, 2021** | **403.37** | **2,180.20** | **8.65** | **2,592.22** |
| **Cash flows:** | | | | |
| Proceeds/(repayments) net | (245.77) | (1,892.22) | - | (2,137.99) |
| Interest paid on borrowings | - | - | (103.76) | (103.76) |
| Other finance cost paid | - | - | (8.61) | (8.61) |
| Interest and finance charges | - | - | 104.96 | 104.96 |
| **As at March 31, 2022** | **157.60** | **287.98** | **1.24** | **446.82** |
| **Cash flows:** | | | | |
| Proceeds/(repayments) net | (157.60) | (287.98) | - | (445.58) |
| Interest paid on borrowings | - | - | (22.73) | (22.73) |
| Other finance cost paid | - | - | (1.85) | (1.85) |
| Interest and finance charges | - | - | 23.34 | 23.34 |
| **As at March 31, 2023** | - | - | - | - |

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## 15(i) Provisions

Non Current

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for gratuity* | 74.49 | 58.01 |
| **Total** | **74.49** | **58.01** |

*For disclosure related to provision for gratuity-refer note 30-Employee benefit obligations

## 15(ii) Provisions

Current

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for gratuity* | 11.33 | 8.49 |
| Provision for compensated absences | 1.75 | 2.36 |
| **Total** | **13.08** | **10.85** |

*For disclosure related to provision for gratuity-refer note 30-Employee benefit obligations

## 16 Deferred tax liabilities(net)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Items comprising deferred tax liabilities** | | |
| Property, plant and equipment and intangible assets | 393.05 | 446.21 |
| **Items comprising deferred tax assets** | | |
| Loss allowance for doubtful receivables and advances | (43.25) | (43.21) |
| Other deductible temporary differences | (23.32) | (19.02) |
| **Net deferred tax (assets)/ liabilities** | **326.48** | **383.98** |

**Significant component of net deferred tax (assets) and liabilities for the year ended March 31, 2023**

| Particulars | April 1 2022 | Recognised in other comprehensive income | Recognised in statement of profit and loss | March 31 2023 |
|---|---|---|---|---|
| **Items comprising deferred tax liabilities** | | | | |
| Property, plant and equipment and intangible assets | 446.21 | - | (53.16) | 393.05 |
| **Items comprising deferred tax assets** | | | | |
| Loss allowance for doubtful receivables and advances | (43.21) | - | (0.04) | (43.25) |
| Other deductible temporary differences | (19.02) | (1.17) | (3.13) | (23.32) |
| **Net deferred tax (assets)/ liabilities** | **383.98** | **(1.17)** | **(56.33)** | **326.48** |

**Significant component of net deferred tax (assets) and liabilities for the year ended March 31, 2022**

| Particulars | April 1 2021 | Recognised in other comprehensive income | Recognised in statement of profit and loss | March 31 2022 |
|---|---|---|---|---|
| **Items comprising deferred tax liabilities** | | | | |
| Property, plant and equipment and intangible assets | 505.77 | - | (59.56) | 446.21 |
| **Items comprising deferred tax assets** | | | | |
| Loss allowance for doubtful receivables and advances | (43.21) | - | - | (43.21) |
| Other deductible temporary differences | (18.44) | 0.76 | (1.34) | (19.02) |
| **Net deferred tax (assets)/ liabilities** | **444.12** | **0.76** | **(60.90)** | **383.98** |

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## 17 Trade payables

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises (refer note 33) | 205.58 | 236.00 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 3,719.75 | 4,161.34 |
| **Total** | **3,925.33** | **4,397.34** |

Amount includes Rs. 32.15 lakhs (Previous year Rs. 117.76 lakhs) payable towards invoices discounted by vendors through open exchanges under TReDS scheme.
Refer note 32 for related party disclosures

### Trade payable ageing schedule as on March 31, 2023

| Particulars | Not due | Outstanding from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro and small enterprises | 169.75 | 35.83 | - | - | - | 205.58 |
| (ii) Other than micro and small enterprises | 3,605.26 | 100.74 | 1.78 | 2.59 | 9.38 | 3,719.75 |
| (iii) Disputed dues - micro and small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues - others | - | - | - | - | - | - |
| **Total** | **3,775.01** | **136.57** | **1.78** | **2.59** | **9.38** | **3,925.33** |

### Trade payable ageing schedule as on March 31, 2022

| Particulars | Not due | Outstanding from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro and Small Enterprises | 236.00 | | - | - | - | 236.00 |
| (ii) Other than micro and small enterprises | 4,119.03 | 30.34 | 2.59 | 9.38 | - | 4,161.34 |
| (iii) Disputed dues - micro and small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues - others | - | - | - | - | - | - |
| **Total** | **4,355.03** | **30.34** | **2.59** | **9.38** | **-** | **4,397.34** |

## 18 Other financial liabilities

**Current**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Interest accrued but not due on borrowings | - | 1.24 |
| Payable on purchase of fixed assets | 14.49 | 47.69 |
| Other payables* | 210.25 | 193.99 |
| **Total** | **224.74** | **242.92** |

* other payables includes salary payable, provision for expenses etc
Refer note 32 for related party disclosures

## 19 Other current liabilities

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Advance from customers | 2.10 | 460.43 |
| Statutory liabilities | 19.61 | 21.20 |
| **Total** | **21.71** | **481.63** |

Refer note 32 for related party disclosures

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## 20 Revenue from operations

### (a) Revenue from contracts with customers

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| **Sale of Products:** | | |
| Manufactured goods | 11,126.24 | 13,266.74 |
| Traded goods | 1,098.95 | - |
| **Total** | **12,225.19** | **13,266.74** |

### (b) Other operating revenue

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Scrap Sales | 797.36 | 656.32 |
| Export Incentive | 10.73 | 7.43 |
| **Total** | **808.09** | **663.75** |
| **Total Revenue from Operations (a+b)** | **13,033.28** | **13,930.49** |

Refer note 35 - Disclosure under Ind AS 115 Revenue from contracts with customers

## 21 Other Income

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| **Interest from** | | |
| Bank deposits | 2.82 | 4.06 |
| Others | 0.29 | - |
| | **3.11** | **4.06** |
| **Other Non-operating income** | | |
| Liabilities no longer required, written back | 0.12 | 16.24 |
| Foreign exchange fluctuations (net) | 10.54 | - |
| Miscellaneous income | 0.04 | - |
| | **10.70** | **16.24** |
| **Total** | **13.81** | **20.30** |

## 22(i) Cost of materials consumed

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Inventory at the beginning of the year | 3,396.97 | 4,470.48 |
| Add: Purchases | 7,983.74 | 10,538.62 |
| | **11,380.71** | **15,009.10** |
| Inventory at the end of the year | (1,685.11) | (3,396.97) |
| **Cost of materials consumed** | **9,695.60** | **11,612.13** |

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## 22(ii) Purchases of stock-in-trade

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Purchases of stock-in-trade | 1,075.37 | - |
| | **1,075.37** | **-** |

## 23 Change in inventories of finished goods and work-in-progress

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| **Inventory at the end of the year** | | |
| Finished goods | 0.20 | 0.21 |
| Work in progress | 287.74 | 180.55 |
| | **287.94** | **180.76** |
| **Inventory at the beginning of the year** | | |
| Finished goods | 0.21 | 0.48 |
| Work in progress | 180.55 | 386.54 |
| | **180.76** | **387.02** |
| **Net (increase)/decrease in inventory** | **(107.18)** | **206.26** |

## 24 Employee benefits expense

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Salaries, wages and bonus | 458.18 | 467.93 |
| Contribution to provident funds and other funds (refer note 30) | 32.68 | 35.97 |
| Gratuity expense (refer note 30) | 15.63 | 14.35 |
| Staff welfare expenses | 18.72 | 14.75 |
| | **525.21** | **533.00** |

## 25 Finance costs

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| **Interest on:** | | |
| Term loan | 7.88 | 30.39 |
| Cash credit and working capital demand Loan | - | 63.93 |
| Others | 13.61 | 2.03 |
| Other borrowing costs | 1.85 | 8.61 |
| | **23.34** | **104.96** |

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## 26 Depreciation and amortisation expense

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| **Depreciation on:** | | |
| Depreciation on property, plant and equipment | 417.39 | 442.80 |
| Depreciation on right of use assets | 17.76 | 16.44 |
| **Amortisation on:** | | |
| Amortisation on intangible assets | - | 5.69 |
| | **435.15** | **464.93** |

## 27 Other expenses

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Contract labour wages | 695.75 | 508.36 |
| Consumption of stores and spare parts | 95.32 | 68.23 |
| Rent expenses | 2.90 | 4.14 |
| Freight outward | - | 4.03 |
| Power and fuel | 169.56 | 128.42 |
| Legal and professional charges # | 32.26 | 37.46 |
| Repair and Maintenance | | |
| Buildings | 27.05 | 12.52 |
| Plant and machinery | 23.08 | 28.85 |
| Others | 0.09 | 0.56 |
| Insurance | 11.02 | 11.46 |
| Advances/amount written off | 8.70 | 1.19 |
| Provision for doubtful debts | 0.15 | - |
| Loss from asset sale | - | 23.77 |
| Foreign Exchange loss (net) | - | 18.98 |
| Rates and taxes | 0.23 | 0.24 |
| Miscellaneous expenses | 46.23 | 49.36 |
| **Total** | **1,112.34** | **897.57** |

| # Payment to auditors(net of taxes) | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Statutory audit | 12.50 | 16.50 |
| Certfications | 1.50 | - |
| Reimbursment of expenses* | 1.17 | 0.38 |

* reimbursment of expenses for the previous year represents amount paid to predecessor auditors.

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**28 Tax expenses**

The key components of income tax expense for the year ended March 31, 2023 and March 31, 2022 are:

**A. Statement of Profit and Loss**

(i) Profit and loss section

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Current tax | 133.27 | 99.06 |
| Tax pertaining to earlier years | 3.13 | 1.75 |
| Deferred tax | (56.33) | (60.90) |
| **Income tax expenses recognised in statement of profit and loss** | **80.07** | **39.91** |

(ii) Other comprehensive income section

Deferred tax related to items recognised in Other comprehensive income during the year:

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Net loss / (gain) on remeasurements of defined benefit plans | 1.17 | (0.76) |
| **Income tax charged to Other comprehensive income** | **1.17** | **(0.76)** |

**B. Reconciliation of tax expense between accounting profit at applicable tax rate and effective tax rate:**

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Accounting profit before income tax | 287.26 | 131.94 |
| Statutory income tax rate | 25.17% | 25.17% |
| Tax expense at statutory income tax rate | 72.30 | 33.20 |
| Adjustments: | | |
| Others | 4.64 | 4.96 |
| Tax pertaining to earlier years | 3.13 | 1.75 |
| **Income tax expenses reported in statement of profit and loss** | **80.07** | **39.91** |
| **Effective tax rate** | **27.87%** | **30.25%** |

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## 29 Earnings per share (EPS)

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| **Net profit for the year (A)** | **207.19** | **92.03** |
| **Weighted-average number of equity shares for basic EPS** | | |
| Total shares issued at the beginning of the year | 3,16,48,364 | 3,16,48,364 |
| Add: Weighted number of equity shares issued during the year | - | - |
| **Total weighted-average number of equity shares for basic EPS (B)** | **3,16,48,364** | **3,16,48,364** |
| Basic and diluted earnings per share (Amount in Rs) (A/B) | **0.65** | **0.29** |

## 30 Employee benefits

**Defined contribution plans**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised following amounts as an expense towards contribution to these schemes:

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Employer's contribution to provident fund | 26.24 | 28.29 |
| Employer's contribution to employee state insurance scheme | 6.44 | 7.68 |

**Defined benefit plans**

Gratuity:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a year of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days multiplied by the number of years of service.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the gratuity plan:

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Defined benefit obligation at the beginning of the year | 66.50 | 56.52 |
| Current service cost | 11.06 | 10.91 |
| Interest cost | 4.57 | 3.44 |
| Benefits paid | (0.95) | (1.33) |
| Actuarial (gain)/ loss on obligation - OCI | 4.64 | (3.04) |
| **Defined benefit obligation at the end of the year** | **85.82** | **66.50** |

**Amount recognised in statement of profit and loss:**

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Current service cost | 11.06 | 10.91 |
| Net interest expense | 4.57 | 3.44 |
| **Amount recognised in statement of profit and loss:** | **15.63** | **14.35** |

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**Amount recognised in Other Comprehensive Income:**

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Actuarial (gain)/loss on obligation | 4.64 | (3.04) |
| **Amount recognised in statement of profit and loss:** | **4.64** | **(3.04)** |

**Break up of Actuarial Gain/Loss**

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Due to change in financial assumption | (0.33) | 4.99 |
| Due to experience adjustments | 4.97 | (8.03) |
| | **4.64** | **(3.04)** |

**The principal assumptions used in determining gratuity liability for the Company's plans are shown below:**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Discount rate | 7.40% | 7.34% |
| Future salary increases | 7% | 7% |
| Mortality rate | IALM (2012-14) | IALM (2012-14) |

**A quantitative sensitivity analysis for significant assumption is shown below:**

| Gratuity plan | Sensitivity level | | Impact on DBO | |
|---|---|---|---|---|
| Particulars | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 |
| **Assumptions** | | | | |
| Discount rate | 0.50% | 0.50% | (2.66) | (2.24) |
| | -0.50% | -0.50% | 2.83 | 2.38 |
| Future salary increases | 0.50% | 0.50% | 2.46 | 2.28 |
| | -0.50% | -0.50% | (2.38) | (2.21) |
| Attrition rate | 1.00% | 1.00% | 0.03 | (0.13) |
| | -1.00% | -1.00% | (0.05) | 0.11 |

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

**The following payments are expected contributions to the defined benefit plan in future years:**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Within the next 12 months | 11.34 | 8.49 |

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| | | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|
| **31** | **Commitments and contingencies** | | |
| **A.** | **Capital Commitments** | | |
| (i) | Estimated value of contracts in capital account remaining to be executed (net of advance) | 3.19 | 0.65 |
| (ii) | Bank Guarantees executed in favour of others | 12.74 | 19.65 |
| **B.** | **Other Commitments** | | |
| (i) | Infrastructure development charges payable to Sricity Manufacturing Cluster Private Limited* | 130.89 | 130.89 |

* In connection with the Sri city project, on March 15, 2022, the Company has entered into a share purchase agreement with the Lessor and M/s Sricity Electronics Manufacturing Cluster Private Limited ("SPV") pursuant to which Lessor has given the reduction in infrastructure development charges payable by the Company. Accordingly, the Company has paid Rs. 130.89 lakhs (as part of overall project cost) towards purchase of 13,08,900 equity shares of Rs 10 each (classified as Non-Current Investments – refer Note 4(i)). Pursuant to this agreement, after obtaining permission from MeitY, SPV/Lessor has an option to buy back the equity shares from the Company at the then prevailing rate. In event of such buy back, the Company will realise the investments at such prevailing rate and simultaneously, shall pay the differential infrastructure charge of Rs.130.89 lakhs to SPV. Since the timing of this obligation is not ascertainable as on balance sheet date and not under the control of the Company, this has been disclosed under Other Commitments.

The company did not have any pending litigation which would impact its financial position

## 32 Related party disclosures

The Company's related party transactions and outstanding balances are with key management and others as described below:-

**A Holding Company**

EPACK Durable Limited (Formerly known as EPACK Durable Private Limited and EPACK Durables Solutions Private Limited)

**B Key management personnel**

| | |
|---|---|
| Mr. Bajrang Bothra | Director |
| Mr. Ajay DD Singhania | Director |
| Mr. Laxmi Pat Bothra | Director |
| Mr. Subodh Kumar Garg (resigned w.e.f. December 7, 2021) | Director |
| Mr. Sanjay Singhania | Non Executive Director |
| Mohammad Lateef Chaudhary | Director |
| Mr. Sharad Satyanarayan Malpani (w.e.f. September 24, 2021) | Director |
| Ms. Khushboo Mishra (w.e.f September 18, 2021) | Company Secretary |
| Mr. Rahul Sinha (resigned w.e.f August 27, 2021) | Company Secretary |
| Mr. Vibhav Niren Parikh (w.e.f September 7, 2022) | Director |

**C Enterprises over which key management personnel and relatives of such personnel exercise significant influence**

EPACK Polymers Private Limited
EPACK Petrochem Solutions Private Limited
EPACK Prefab Solutions Private Limited
East India Technologies Private Limited
Bothra Manufacturing Private Limited
Ennov Techno Tools Private Limited
Epavo Electricals Private Limited
Ennov Infra Solutions Private Limited (upto w.e.f August 8, 2022)
Madhav Building Solutions Private Limited
Krish Packaging Private Limited
East India Auto Traders Private Limited
Decent Softtech Private Limited (w.e.f December 21, 2022)
Mool Chand Eatables Private Limited (w.e.f June 11, 2022)
Eshatwam Investment Private Limited (w.e.f May 20,2022)
Green Vision Infratech Private Limited
Bhagwan Mahavir Relief Foundation Trust

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**The following transactions were carried out with related parties:**

| S.No | Particulars | Holding Company | | Entities over which significant influence is exercised | | Key Management Personnel | | Total | |
|---|---|---|---|---|---|---|---|---|---|
| | | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| (A) | **Transactions with related parties (net of taxes)** | | | | | | | | |
| 1 | **Revenue from operations (net)** | | | | | | | | |
| | EPACK Durable Limited | 11,126.13 | 12,592.95 | - | - | - | - | 11,126.13 | 12,592.95 |
| | EPACK Polymers Private Limited | - | - | - | 404.83 | - | - | - | 404.83 |
| | | 11,126.13 | 12,592.95 | - | 404.83 | - | - | 11,126.13 | 12,997.78 |
| 2 | **Power and fuel-Other expenses** | | | | | | | | |
| | EPACK Durable Limited | 50.85 | 59.99 | - | - | - | - | 50.85 | 59.99 |
| | | 50.85 | 59.99 | - | - | - | - | 50.85 | 59.99 |
| 3 | **Miscellaneous expenses** | | | | | | | | |
| | EPACK Durable Limited | 25.90 | 25.75 | - | - | - | - | 25.90 | 25.75 |
| | | 25.90 | 25.75 | - | - | - | - | 25.90 | 25.75 |
| 4 | **Rent expenses** | | | | | | | | |
| | EPACK Polymers Private Limited | - | - | 1.22 | 1.20 | - | - | 1.22 | 1.20 |
| | | - | - | 1.22 | 1.20 | - | - | 1.22 | 1.20 |
| 5 | **Remuneration to KMP** | | | | | | | | |
| | Mr. Laxmi Pat Bothra | - | - | - | - | - | 4.84 | - | 4.84 |
| | Ms. Khushboo Mishra | - | - | - | - | 8.01 | 3.62 | 8.01 | 3.62 |
| | | - | - | - | - | 8.01 | 8.46 | 8.01 | 8.46 |
| 6 | **Sale of property, plant and equipment** | | | | | | | | |
| | EPACK Durable Limited | 7.33 | - | - | - | - | - | 7.33 | - |
| | | 7.33 | - | - | - | - | - | 7.33 | - |

| S.No | Particulars | Holding Company | | Entities over which significant influence is exercised | | Key Management Personnel | | Total | |
|---|---|---|---|---|---|---|---|---|---|
| | | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| (B) | **Balances as at year end** | | | | | | | | |
| 1 | **Trade payables** | | | | | | | | |
| | EPACK Polymers Private Limited | - | - | 0.22 | 1.94 | - | - | 0.22 | 1.94 |
| | | - | - | 0.22 | 1.94 | - | - | 0.22 | 1.94 |
| 2 | **Other financial liabilities** | | | | | | | | |
| | Ms. Khushboo Mishra | - | - | - | - | 0.65 | 0.48 | 0.65 | 0.48 |
| | | - | - | - | - | 0.65 | 0.48 | 0.65 | 0.48 |
| 3 | **Trade receivable** | | | | | | | | |
| | EPACK Durable Limited | 710.05 | - | - | - | - | - | 710.05 | - |
| | | 710.05 | - | - | - | - | - | 710.05 | - |
| 4 | **Other current liabilities** | | | | | | | | |
| | EPACK Durable Limited | - | 444.15 | - | - | - | - | - | 444.15 |
| | | - | 444.15 | - | - | - | - | - | 444.15 |

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**33 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as under:**

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| i)the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | 205.58 | 236.00 |
| ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |
| iii) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006; | - | - |
| iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and | 0.86 | 5.97 |
| v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23. | 0.86 | 5.97 |

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

**34 Capital management**

The Company's capital management objectives are
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

**(a) Debt equity ratio**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Debt (including interest accrued but not due on borrowings) | - | 446.82 |
| Total equity | 3,656.70 | 3,452.98 |
| **Debt equity ratio** | - | **0.13** |

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## 35 Revenue from Contracts with Customers

### (a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

**For the year ended March 31, 2023**

| Revenue from operations | Goods | Services | Other Operating revenue* | Total |
|---|---|---|---|---|
| **Revenue by geography** | | | | |
| Domestic | 12,225.19 | - | 797.36 | 13,022.55 |
| Export | - | - | - | - |
| **Total** | **12,225.19** | **-** | **797.36** | **13,022.55** |
| **Revenue by time** | | | | |
| Revenue recognised at point in time | | | | 13,022.55 |
| Revenue recognised over time | | | | - |
| | | | | **13,022.55** |

**For the year ended March 31, 2022**

| Revenue from operations | Goods | Services | Other Operating revenue* | Total |
|---|---|---|---|---|
| **Revenue by geography** | | | | |
| Domestic | 13,254.88 | - | 656.32 | 13,911.20 |
| Export | 11.86 | - | - | 11.86 |
| **Total** | **13,266.74** | **-** | **656.32** | **13,923.06** |
| **Revenue by time** | | | | |
| Revenue recognised at point in time | | | | 13,923.06 |
| Revenue recognised over time | | | | - |
| | | | | **13,923.06** |

* Other operating revenue amounting to Rs 10.73 Lakhs (Previous year Rs 7.43 Lakhs) not in the nature of revenue from contracts with customers is not included above.

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

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

| Description | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period | 459.80 | 29.00 |
| Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous period | - | - |

### (c) Assets and liabilities related to contract with customers

| Description | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Advance from customers | 2.10 | 460.43 |

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**36 Financial Instruments**

**A Financial Assets and Liabilities**

The carrying amounts of financial instruments by category are as follows:

| | Note | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|
| **Financial assets measured at amortised cost** | | | |
| Investments | 4 | 130.89 | 130.89 |
| Trade receivables | 9 | 1,644.73 | 154.07 |
| Cash and cash equivalents | 10 | 1.09 | 430.59 |
| Other bank balances | 11 | 26.22 | 114.39 |
| Other financial assets | 5 | 19.78 | 13.22 |
| **Total** | | **1,822.71** | **843.16** |
| **Financial liabilities measured at amortised cost** | | | |
| Borrowings | 14 | - | 445.58 |
| Trade payables | 17 | 3,925.33 | 4,397.34 |
| Other financial liabilities | 18 | 224.74 | 242.92 |
| **Total** | | **4,150.07** | **5,085.84** |

**B Fair values hierarchy**

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:
**Level 1**: Quoted prices for identical instruments in an active market;
**Level 2**: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
**Level 3**: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

**B.1** Financial assets and liabilities measured at fair value - recurring fair value measurements: The company does not have any investments which are carried at Fair value through profit and loss and therefore the hierarchy disclosures are not presented.

a. **Valuation process and technique used to determine fair value**

The fair value of financial liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency and credit risk.

**B.2 Fair value of instruments measured at amortised cost**

The management assessed that fair values of current loans, other current financial assets, cash and cash equivalents, other bank balances, trade receivables, short term borrowings, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

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

(ii) The fair values of the Company's fixed interest-bearing receivables are determined by applying discounted cash flows ('DCF') method on contractual cash flows, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2023 was assessed to be insignificant.

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

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## C Financial Risk Management

Risk Management

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

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

### C.1 Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

### a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

The Company provides for expected credit loss based on the following:

| Basis of categorisation | Asset class exposed to credit risk | Provision for expected credit loss |
|---|---|---|
| Low credit risk | Cash and cash equivalents, other bank balances and other financial assets measured at amortised cost | 12 month expected credit loss |
| High credit risk | Trade receivables | Other financial assets - Life time expected credit loss (when there is significant deterioration) or specific provision, whichever is higher. |

In respect of trade receivables that result from contracts with customers, loss allowance is always measured at lifetime expected credit losses.

**Financial assets (other than trade receivables) that expose the entity to credit risk* –**

| | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Low credit risk on financial reporting date** | | |
| Cash and cash equivalents | 1.09 | 430.59 |
| Other bank balances | 26.22 | 114.39 |
| Other financial assets | 19.78 | 13.22 |

**Cash and cash equivalents and bank deposits**

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

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**Trade receivables**

Credit risk related to trade receivables are mitigated by taking bank guarantees/letter of credit from customers where credit risk is high and taking insurance cover for receivables. The Company closely monitors the credit-worthiness of the trade receivables through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The provision for expected credit losses on trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs, based on the Company's past history, existing market conditions, current creditability of the party as well as forward looking estimates at the end of each reporting period.

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

**Other financial assets measured at amortised cost**

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

**C.2 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company had obtained fund and non fund based facilities from various banks. The company also constantly monitors funding positions available in the market with a view to maintain financial flexibility.

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

| March 31, 2023 | Less than 1 year | 1-2 year | 2-3 year | More than 3 years | Total |
|---|---|---|---|---|---|
| **Non Derivatives** | | | | | |
| Trade payable (including MSME) | 3,925.33 | - | - | - | 3,925.33 |
| Other financial liabilities | 224.74 | - | - | - | 224.74 |
| **Total** | **4,150.07** | **-** | **-** | **-** | **4,150.07** |

| March 31, 2022 | Less than 1 year | 1-2 year | 2-3 year | More than 3 years | Total |
|---|---|---|---|---|---|
| **Non Derivatives** | | | | | |
| Borrowings and Interest thereon | 441.53 | 4.05 | - | - | 445.58 |
| Trade payable (including MSME) | 4,397.34 | - | - | - | 4,397.34 |
| Other financial liabilities | 242.92 | - | - | - | 242.92 |
| **Total** | **5,081.79** | **4.05** | **-** | **-** | **5,085.84** |

**C.3 Market risk**

**a) Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, Chinese YUAN . Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company.

**(i) Foreign currency risk exposure in USD:**

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

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Financial assets | 15.98 | 31.28 |
| Financial liabilities | 1,954.54 | 3,050.45 |
| **Net exposure to foreign currency risk (liabilities)/assets** | **(1,938.56)** | **(3,019.17)** |

**Sensitivity**

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

| Particulars | March 31, 2023 | March 31, 2022 |
|---|---|---|
| **USD sensitivity*** | | |
| INR/USD- increase by 100 bps | (14.51) | (22.59) |
| INR/USD- decrease by 100 bps | 14.51 | 22.59 |

* Holding all other variables constant

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**EPACK COMPONENTS PRIVATE LIMITED**
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**(Amount in Rs lakhs, unless otherwise stated)**

**(ii) Foreign currency risk exposure in CNY:**

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rs. are as follows

| **Particulars** | **As at March 31, 2023** | **As at March 31, 2022** |
|---|---|---|
| Financial assets | - | - |
| Financial liabilities | 958.23 | 292.88 |
| **Net exposure to foreign currency risk (liabilities)/assets** | **(958.23)** | **(292.88)** |

**Sensitivity**

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

| **Particulars** | **March 31, 2023** | **March 31, 2022** |
|---|---|---|
| **CNY sensitivity*** | | |
| INR/CNY- increase by 100 bps | (7.17) | (2.19) |
| INR/CNY- decrease by 100 bps | 7.17 | 2.19 |

* Holding all other variables constant

**b) Interest Rate Risk**

**i) Liabilities**

The Company's policy is to minimise interest rate cash flow risk exposures on external financing. The Company is exposed to changes in interest rates through bank borrowings carrying variable interest rates. The Company's investments in fixed deposits carry fixed interest rates.

Interest rate risk exposure

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

| **Particulars** | **As at March 31, 2023** | **As at March 31, 2022** |
|---|---|---|
| Variable rate borrowings | - | 157.60 |
| Fixed rate borrowings | - | 287.98 |
| **Total borrowings** | **-** | **445.58** |
| **Amount disclosed under borrowings** | **-** | **445.58** |

**Sensitivity**

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

| **Particulars** | **March 31, 2023** | **March 31, 2022** |
|---|---|---|
| **Interest sensitivity*** | | |
| Interest rates – increase by 100 bps | - | (1.18) |
| Interest rates – decrease by 100 bps | - | 1.18 |

* Holding all other variables constant

**ii) Assets**

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

**c) Price risk**

**i) Exposure**

The Company does not have exposure to price risk arises from investments as investment is measured at amortised cost.

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**37 Financial Ratios**

| Particulars | Measurement Unit | Numerator | Denominator | FY 2022-23 | FY 2021-22 | % Change | Remarks (if the change is 25% and more) |
|---|---|---|---|---|---|---|---|
| Current Ratio | Times | Current Assets | Current Liabilities | 0.91 | 0.86 | 5.64% | NA |
| Debt Equity Ratio | Times | Total Debt (including Current maturities of Long Term Borrowings and accrued interest excluding lease liabilities) | Shareholder's Equity | - | 0.13 | -100.00% | No Borrowings as at end of the year |
| Debt Service Coverage Ratio | Times | Earnings for debt service = Net profit after taxes + Non-cash operating expenses+Interest Expense | Debt service = Interest & lease payments + principal repayments | 3.76 | 1.89 | 99.40% | Debt repayment during the year |
| Return on Equity ratio | Percentage | Net Profits after taxes – Preference Dividend | Average Shareholder's Equity | 5.83% | 2.70% | 115.70% | Higher profits in the current year |
| Inventory turnover ratio | Times | Cost of goods sold | Average Inventory | 3.84 | 2.80 | 37.12% | Decrease in the level of inventory at the end of year |
| Trade receivable turnover ratio | Times | Net credit sales = Gross credit sales - sales return | Average Trade Receivable | 13.59 | 13.31 | 2.15% | NA |
| Trade payable turnover ratio | Times | Total purchases of raw material, store and spares and purchase of stock in trade | Average Trade Payables | 2.18 | 1.96 | 10.85% | NA |
| Net capital turnover ratio | Times | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | -32.94 | -17.45 | 88.72% | Improvement in working capital during the year |
| Net profit ratio | Percentage | Net Profit after tax | Net sales = Total sales - sales return | 1.59% | 0.66% | 140.70% | Higher profits in the current year |
| Return on Capital Employed | Percentage | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax | 7.80% | 5.53% | 41.00% | Higher profits in the current year |
| Return on Investment | NA | Income generated from invested funds | Average invested fund in treasury investments | NA | NA | NA | NA |

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**38 Additional Regulatory Information**

(i) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.

(ii) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.

(iii) There are no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended as at March 31, 2023 and March 31, 2022.

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

(v) 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.

(vi) With respect to scheme of arrangement entered into by the company, refer note 42 of the financial statement, the scheme does not have any accounting impact on current or previous financial year.

(vii) 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 entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) No funds have been received by the Company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ix) Proper books of account as required by law have been kept by the Company including the daily back-up of the books of account and other books and papers of the Company maintained in electronic mode are kept in servers physically located in India.

(x) Money raised by way of term loans were applied for the purposes for which these were obtained.

(xi) The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the current or previous year.

(xii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year. The Company does not have any advances in the nature of loans during the year.

**39** There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**40** The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023.

**41** The Company's primary business segment is reflected based on principal business activities carried on by the Company. "Managing Director and CEO" has been identified as the Chief Operating Decision Maker ('CODM') and evaluates the Company's performance and allocate resources based on analysis of the various performance indicators of the Company as a single unit. Therefore, there are no separate reportable business segments as per Ind AS 108- Operating Segments. The Company operates in one reportable business segment i.e., manufacturing of consumer durable products and is primarily operating in India and hence, considered as single geographical segment. Majority of the revenue is derived from one geography and one external customers amounting to Rs 11,126.13 lakhs (previous year: Rs 12,592.95 lakhs).

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**(Amount in Rs lakhs, unless otherwise stated)**

**42** The Board of Directors of the Company, in its meeting held on April 12, 2022 have approved the proposed merger/ amalgamation of the Company and its parent i.e. EPACK Durable Limited in accordance with Section 230 to Section 232 and/or any other applicable provisions if any, of the Companies Act, 2013 on a going concern basis. On May 13, 2022, the Company has filed necessary documents with National Company Law Tribunal (NCLT) for approval of the proposed merger. Subsequently, on April 28, 2023, the EDL and Company has filed second motion application with NCLT. Upon the scheme becoming effective, the Company shall stand dissolved without being wound-up and without any requirement of any further act or deed. As on the date of signing of these financial statements, approval from NCLT is awaited.

In view of above, these financial statements have been prepared on a going concern basis.

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

**44 Event Occurring after the reporting period**

(i) The Company has entered into scheme of arrangement as detailed in refer note-42 above.

(ii) Approval of financial statement- The financial statements were authorised for issue by the Board of directors on July 13, 2023

For and on behalf of Board of Directors
**EPACK Components Private Limited**

Ajay DD Singhania

| | | |
|---|---|---|
| **Ajay DD Singhania** | **Bajrang Bothra** | **Khushboo Mishra** |
| Director | Director | Company Secretary |
| DIN: 00107555 | DIN: 00129286 | Membership No. A36679 |

EPACK Components Private Limited Greater Noida

Place : Greater Noida
Date : July 13, 2023

Deloitte Haskins & Sells Chartered Accountants