

9th June, 2023

Ref. No. 20/2023-2024

To, The Manager - Corporate Compliance BSE Limited 25 th Floor, P.J. Towers, Dalal Street, Mumbai-400 001	To, The Manager - Corporate Compliance National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051
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Ref. Scrip Code: BSE - 500279, NSE - MIRCELECTR

Sub: Compliance under Regulation 30(2), 34(1), 42 and 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is to inform you that 42nd Annual General Meeting (AGM) of the Company is scheduled to be held on Monday, 3rd July, 2023 at 3:00 p.m. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"). In this regard and in compliance with the provisions of Regulation 30(2) and 34(1) read with Schedule III and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith AGM Notice dated 26th May, 2023 and Annual Report for the financial year 2022-2023.

Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Register of Members and Share Transfer Book of the Company will remain closed as detail below:

Symbol	Type of security	Book Closure Both days inclusive		Record Date	Purpose
		From	To		
NSE: MIRCELECTR BSE: 500279	Equity	Monday, 26 th June, 2023	Monday, 3 rd July, 2023	N.A.	Annual General Meeting

The Notice of the AGM along with the Explanatory Statement, Directors Report, Auditors Report and Audited Financial Statements of the Company for the year ended 31st March, 2023 is being sent electronically to those members whose e-mail IDs are registered with the Company/Depository Participant in compliance with Ministry of Corporate Affairs Circular No. 10/2022 dated 28th December, 2022 read together with Circular No. 02/2022 dated 5th May, 2022, Circular No. 21/2021 dated 14th December, 2021, Circular No. 19/2021 dated 8th December, 2021, Circular No. 02/2021 dated 13th January, 2021, Circular No. 20/2020 dated 5th May, 2020, Circular No. 17/2020 dated 13th April, 2020 and Circular No. 14/2020 dated

MIRC ELECTRONICS LIMITED

Regd. Office : Onida House, G-1, M.I.D.C., Mahakali Caves Road, Andheri (East), Mumbai - 400 093.

Tel.: +91-22-6697 5777, 2820 0435 Fax : +91-22-2820 2002

CIN No.: L32300MH1981PLC023637. Website: www.onida.com

8th April, 2020 and Securities and Exchange Board of India Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated 5th January, 2023 read together with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, Circular No. SEBI/ HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 2020.

Pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules 2015, the Company is providing remote e-voting facility to its members holding shares as on Monday, 26th June, 2023 being the cut-off date to exercise their rights to vote by electronic means on all resolutions as set out in the Notice of the AGM through e-voting facilitated by Central Depository Services (India) Ltd. Remote e-voting shall commence on Friday, 30th June, 2023 at 09.00 a.m. and ends on Sunday, 2nd July, 2023 at 05:00 p.m. The facility of e-Voting shall also be made available during the AGM and the Members attending the AGM, who have not already cast their vote by remote e-Voting shall be eligible to cast their vote through e-voting during the AGM.

The notice of the AGM along with Annual Report is also available on the Company's website www.onida.com.

You are requested to take the same on record and oblige.

Thanking You.

for MIRC Electronics Limited

Gulu L. Mirchandani
Chairman & Managing Director

Encl: - As above

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NOTICE

NOTICE is hereby given that the **Forty-Second Annual General Meeting** of the members of **MIRC Electronics Limited** will be held on **Monday, July 03, 2023** at **3:00 p.m.** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited financial statement(s) of the Company for the financial year ended March 31, 2023, together with the reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Vijay Mansukhani (DIN: 01041809), who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To appoint Statutory Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as may be applicable, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s ASA & Associates LLP, Chartered Accountants (Firm Registration No. 009571N/N500006), be and are hereby appointed as the Statutory Auditors of the Company in the place of M/s. S R B C & Co. LLP, Chartered Accountants (Firm Registration No. 324982E/E300003), the retiring Statutory Auditors, to hold the office from the conclusion of the 42nd Annual General Meeting until the conclusion of 47th Annual General Meeting of the Company, on such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company in consultation with the M/s ASA & Associates LLP, Chartered Accountants."

SPECIAL BUSINESS:

- 4) To approve the re-appointment of Mr. Vijay Mansukhani (DIN: 01041809), as a Managing Director (Key Managerial Personnel) of the Company and remuneration payable to him and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 2(51) and 203 of the Companies Act, 2013 read with Rule 8 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the approval of members of the Company be and is hereby accorded for re-appointment of Mr. Vijay Mansukhani (DIN: 01041809) as a Key Managerial Personnel of the Company, for a period of three years effective from April 01, 2024.

RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the approval of the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on May 26, 2023, the approval of members of the Company be and is hereby given to the re-appointment and remuneration of Mr. Vijay Mansukhani (DIN: 01041809), as Managing Director of the Company for a period of 3 (Three) years effective from April 01, 2024 to March 31, 2027 (both days inclusive) on such terms and conditions including remuneration as set out in Item No. 4 of the explanatory statement annexed to the Notice convening this Meeting."

- 5) To approve the appointment of Mr. Shirish Suvagia (DIN: 10095690) as a Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152(2), 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of the Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the approval of the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on April 03, 2023, the approval of members of the Company be and is hereby accorded to the appointment of Mr. Shirish Suvagia (DIN: 10095690), who was appointed as an additional director of the Company under the provisions of the Section 161 of the Companies Act, 2013 and whose term of appointment expires at the ensuing Annual General Meeting, be and is hereby appointed as a Director of the Company."

- 6) To approve the appointment of Mr. Shirish Suvagia (DIN: 10095690) as a Whole-time Director (Key Managerial Personnel) of the Company and remuneration payable to

him and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 2(51) and 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the approval of members of the Company be and is hereby accorded for appointment of Mr. Shirish Suvagia (DIN: 10095690), as a Key Managerial Personnel of the Company, for a period of three years effective from April 04, 2023.

RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification and re-enactment thereof for the time being in force) and pursuant to the approval of the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on April 03, 2023, the approval of members of the Company be and is hereby accorded to the appointment and remuneration of Mr. Shirish Suvagia (DIN: 10095690), as a Whole-time Director of the Company, for a period of 3 (three) years effective from April 04, 2023, liable to retire by rotation and on such terms and conditions including remuneration as set out in Item No. 6 of the explanatory statement annexed to the Notice convening this Meeting.”

7) To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2024 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors), Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Suresh D. Shenoy, Cost Accountant (Membership No. 8318), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024, be paid remuneration of Rs. 2,50,000/-p.a. plus GST thereon and reimbursement of out of pocket expenses.

RESOLVED FURTHER THAT any one of the Directors of the Company, be and is hereby authorized to do all acts, deeds, matters and things as may be deemed proper, necessary or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

**By order of the Board of Directors
for MIRC Electronics Limited**

**Place: Haridwar
Date: May 26, 2023**

**Gulu Mirchandani
Chairman & Managing Director**

Notes:

1. The Ministry of Corporate Affairs (“MCA”) vide its Circular No. 10/2022 dated December 28, 2022 read together with Circular No. 02/2022 dated May 05, 2022, Circular No. 21/2021 dated December 14, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 02/2021 dated January 13, 2021, Circular No. 20/2020 dated May 5, 2020, Circular No. 17/ 2020 dated April 13, 2020 and Circular No. 14/ 2020 dated April 8, 2020 (collectively referred to as “MCA Circulars”), have permitted holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), as amended from time to time and MCA Circulars, and Circulars issued by Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 5, 2023 read together with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/ HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 (collectively referred to as “SEBI Circulars”), the AGM of the Company is being held through VC / OAVM.
2. A Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on a Poll instead of himself/herself and a Proxy need not be a member of the Company. However, pursuant to MCA Circulars and SEBI Circulars, the AGM will be held through VC/OAVM and the physical attendance of Members in any case has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form is not annexed to this Notice.
3. Explanatory Statement pursuant to the provisions of Section 102 of the Act, in respect of special businesses to be transacted at the AGM is annexed to this Notice. Further, for Item No. 3 the explanatory statement is being provided pursuant to the Regulation 36(5) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (referred to as “SEBI (LODR) Regulations, 2015”).
4. Relevant documents referred to in accompanying Notice and the explanatory statement, registers and all other documents will be available for inspection in electronic mode. Members can inspect the same by sending an email to investors@onida.com.
5. Pursuant to Section 113 of the Act, the representatives of Corporate Members may be authorised for the purpose of voting through remote e-voting or for participation and voting in the Meeting to be conducted through VC/OAVM.

Corporate Members intending to attend the Meeting through their authorised representatives are requested to send a certified true copy of the board resolution and/ or power of attorney, (PDF/JPG Format) if any, authorizing its representative to attend and vote on their behalf at the AGM. The said resolution/authorisation shall be sent to the

Company through email at the designated email address of the Company i.e. investors@onida.com.

6. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for financial year 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report for financial year 2022-23 will also be available on website of the Company i.e. www.onida.com, website of the Stock Exchanges i.e. BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com) respectively. For any communication, the shareholders may also send requests to the designated email address of the Company i.e. investors@onida.com. The Notice of AGM is also placed on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means.
8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Members seeking any information/intend of asking any questions at the AGM with regard to the accounts or any matter to be placed at the AGM are requested to send email to the designated email address of the Company i.e. investors@onida.com at least 7 days before the AGM.
10. In case of joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Notice is also given under Section 91 of the Act read with Regulation 42 of the SEBI (LODR) Regulations, 2015 as amended from time to time, that the Register of Members and Share Transfer Register of the Company will remain closed from Monday, June 26, 2023 to Monday, July 03, 2023 (both days inclusive).
12. Members are hereby informed that there is no unpaid dividend of earlier years which is due to be transferred to the Investor Education and Protection Fund (IEPF) under the provisions of Section 124 and Section 125 of the Act.
13. Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, have been transferred to IEPF.

The claimant of shares transferred as mentioned above shall be entitled to claim the shares from IEPF by submitting an online application in Form IEPF-5 available on the website www.iepf.gov.in. The claimant shall after making an application in Form IEPF-5, send the same duly signed by

him/her along with the requisite documents as enumerated in Form IEPF-5 to the Company at the registered office for verification of his/her claim.

14. Members who hold shares in the dematerialized form and want to change/correct the bank account details, should send the same immediately to their concerned depository participant and not to the Company. Members are also requested to give the MICR Code of their bank to their depository participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividend, Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such demat shares. The members who hold shares in physical form are requested to immediately notify any change of address to the Registrar and Share Transfer Agent of the Company in respect of their holding in physical form.
15. SEBI, vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018, amended Regulation 40 of the SEBI (LODR) Regulations, 2015, pursuant to which after December 05, 2018, transfer of securities could not be processed unless the securities are held in the dematerialized form with a depository. Therefore, the members who are holding physical shares are requested to dematerialize their holdings at the earliest.
16. All the members are requested to register their e-mail id with the Registrar and Share Transfer Agent of the Company for the purpose of service of documents under Section 20 of the Act, by e-mode instead of physical service of documents.
17. The members holding the shares in physical form can avail of the nomination facility in terms of Section 72 of the Act, by furnishing Form SH. 13 (in duplicate) to the Company or the Registrar and Share Transfer Agent of the Company. The said form will be made available on request. In case of shares held in dematerialized form, a nomination form will need to be lodged by the members with their Depository Participants.
18. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The members holding shares in electronic form are, therefore, requested to submit their PAN to the depository participants with whom they maintain their demat accounts. The members holding shares in physical form should submit their PAN to the Company Secretarial Department of the Company or the Registrar and Share Transfer Agent of the Company.
19. As per Regulation 36(3) of SEBI (LODR) Regulations, 2015 as amended from time to time and Secretarial Standards (SS) -2 issued by the Institute of Company Secretaries of India (ICSI), details in respect of a director seeking appointment/re-appointment at the Annual General Meeting are separately annexed to this Notice.

20. The AGM will be held through VC/OAVM and hence Route Map and Attendance Slip are not annexed to this Notice.

21. After the AGM, the recorded transcript of the Meeting shall also be uploaded on the website of the Company, i.e. www.onida.com.

22. Information and other instructions relating to e-voting are as under:

In compliance with Section 108 of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (LODR) Regulations, 2015 as amended from time to time, and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021, the Company is pleased to provide its members with facility of 'remote e-voting' to exercise their right to vote at the Forty-Second AGM of the Company by electronic means. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The Members who have already cast their vote by remote e-voting prior to the AGM may also attend/ participate in the Meeting through VC / OAVM but shall not be entitled to cast their vote again.

The Company has appointed CS Mahesh Darji, Practising Company Secretary, (Membership No. F7175, CP No. 7809 with the Institute of Company Secretaries of India) or failing him CS Nilesh Shah or failing him CS Hetal Shah of M/s. Nilesh Shah & Associates, Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

The instructions for members for voting electronically are as under: -

- (i) The voting period begins on Friday, June 30, 2023 (9.00 a.m.) and ends on Sunday, July 02, 2023 (5.00 p.m.). During this period, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, June 26, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter;
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue;
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

In order to increase the efficiency of the voting process, all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories/ Depository Participants would be able to cast their vote without having to register again with the e-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovementioned SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- The shareholders should log on to the e-voting website www.evotingindia.com;
 - Click on "Shareholders" module;
 - Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - Next enter the Image Verification as displayed and Click on Login;
 - If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used;

- f) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/depository participant are requested to use sequence number indicated in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the dividend bank details or date of birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company, please enter the member id / folio number in the dividend bank details field.

- After entering these details appropriately, click on "SUBMIT" tab;
- Members holding shares in physical form will then directly reach the Company selection screen. However, the members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;
- For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice;
- Click on the EVSN for the relevant MIRC Electronics Limited on which you choose to vote;
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution;

- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details;
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote;
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote;
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page;
- (xv) If Demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system;
- (xvi) Facility for Non – Individual Shareholders and Custodians-Remote Voting:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote.

The list of accounts should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the board resolution and power of attorney (POA) which they have issued in favour of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@onida.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- (xvii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

23. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Monday, June 26, 2023;
24. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Monday, June 26, 2023, only shall be entitled to avail the facility of remote e-voting. The person who is not a member as on the cut-off date should treat this Notice for information purpose only; and
25. The scrutinizer, after scrutinising the votes casted, will not later than forty eight hours of conclusion of the AGM, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.onida.com and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.

Instructions for Shareholders attending the AGM through VC/OAVM and e-voting during meeting are as under:

1. The shareholders will be provided with a facility to attend the AGM through VC/OAVM, the procedure for attending meeting is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. The Members can join the Meeting through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis.

However the participation of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. are not restricted on first come first served basis.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
5. The Shareholders are encouraged to join the AGM through Laptops / IPads for better experience;

6. Further Shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the AGM;
7. Please note that the Participants Connecting from mobile devices or tablets or through laptop using mobile hotspot network may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid technical glitches.
8. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at designated email address of the Company i.e. investors@onida.com at least 7 (seven) days before the date of AGM. Please note that the shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Process for those Shareholders whose E-mail ID/Mobile no. are not registered with the Company/Depositories:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Registrar and Transfer Agent at rnt.helpdesk@linkintime.co.in or Company at investors@onida.com.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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

Item No. 3:

In terms of Section 139 of the Companies Act, 2013 (“the Act”) and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the present Statutory Auditors of the Company, M/s. S R B C & Co. LLP., Chartered Accountants (Firm Registration No. 324982E/E300003), will hold office until the conclusion of this Forty-Second Annual General Meeting upon completion of their term of five consecutive years. Since M/s. S R B C & Co. LLP., Chartered Accountants (Firm Registration No. 324982E/E300003) have completed two terms of five consecutive years, the Company is now required to appoint another Auditor for a period of five consecutive years to hold office from the conclusion of this Forty-Second Annual General Meeting till the conclusion of the Forty-Seventh Annual General Meeting of the Company.

The Board of Directors at its meeting held on May 26, 2023, after considering the recommendation of the Audit Committee, has recommended for approval of members for the appointment of M/s. ASA & Associates LLP, Chartered Accountants, (Registration No. 009571N/N500006), as the Statutory Auditors of the Company. The proposed Auditors shall hold office for a term of five consecutive years commencing from the conclusion of the Forty-Second Annual General Meeting till the conclusion of Forty-Seventh Annual General Meeting of the Company. Before recommending appointment of M/s. ASA & Associates LLP, Chartered Accountants as Statutory Auditors of the Company, the Audit Committee has duly assessed the capability of the proposed Statutory Auditors to serve Company's operating business segments besides considering various parameters including market standing, audit experience and peer review certification, technical knowledge, etc. and found M/s. ASA & Associates LLP, Chartered Accountants, to be best suited to handle the audit of financial statements of the Company.

The Board of Directors of the Company, based on the fees proposal received and on the recommendation of the Audit Committee, has proposed Annual Audit Fees of Rs. 25,00,000/- plus reimbursement of applicable Goods and Services Tax and actual out of pocket expenses incurred. The Board may revise the Audit Fees payable to the Statutory Auditors, as per the recommendation of the Audit Committee, as may be mutually agreed with the Statutory Auditors of the Company.

M/s. ASA & Associates LLP, Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further

confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder.

The Board recommends the resolution at Item No. 3 to be passed as Ordinary Resolution.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 3 of this Notice.

Item No. 4:

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board Meeting held on May 26, 2023, approved the re-appointment and remuneration to Mr. Vijay Mansukhani (DIN: 01041809), Managing Director of the Company for a period of 3 (Three) years with effect from April 01, 2024, subject to the approval of members of the Company.

In accordance with the provisions of Section 196 and Schedule V of the Companies Act, 2013 (the 'Act'), a person who has attained the age of 70 years can be appointed / continued as managing director only by passing a special resolution, in which case, the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person. It is proposed to re-appoint Mr. Vijay Mansukhani as Managing Director of the Company who has crossed the age of 70 years, for a further period of three years considering his more than 43 years' experience in consumer electronic industry and he has been Promoter Director of the Company since its inception.

The material terms and conditions as approved by the Board of Directors and contained in the agreement entered into between Mr. Vijay J. Mansukhani and the Company are as follows:

I] The Managing Director shall continue to be subject to the supervision and control of the Board of Directors of the Company and carry out such duties as may be entrusted to him by the Board of Directors and shall exercise such powers as are delegated to him by the Board of Directors during time to time.

II] PERIOD OF RE-APPOINTMENT: -

The tenure of re-appointment shall be for a period of three years effective from April 01, 2024 to March 31, 2027.

III [A] REMUNERATION: -

Subject to the ceiling limits laid down in Section 197 read with Schedule V to the Companies Act, 2013, remuneration by way of salary and perquisites permissible to the Managing Director shall be as under:-

a) Basic Salary

Basic: Rs. 6,80,000/- per month.

b) Commission

In case of Company having profit in a financial year, in addition to Salary and Perquisites, Commission shall be paid to Mr. Vijay J. Mansukhani, Managing Director, which shall not exceed the limits specified in Section 197 of the Companies Act 2013.

c) Perquisites

In addition to the above, the Managing Director shall be entitled to the following perquisites:

This will comprise inter-alia of House Rent Allowance, Leave Travel Concession, Medical reimbursement and Personal Accident Insurance. This will be provided as under:

(1) Housing

- i) The expenditure incurred by the Company on hiring furnished accommodation will be subject to a ceiling of 60% of basic salary.
- ii) In case Company owns the accommodation, the Company shall deduct 10% of the basic Salary of the Managing Director.
- iii) In case no accommodation is provided by the Company, the Managing Director shall be entitled to a House Rent Allowance subject to ceiling of 60% of his basic salary.

(2) Leave Travel Allowance:

For self and family, once in each year, in accordance with the Rules of the Company.

(3) Medical and Personal Accident Insurance

Personal Accident Insurance and reimbursement of Medical expenses incurred by Mr. Vijay J. Mansukhani and his family, subject to a ceiling of Rs. 24,000 p.a. (For the purpose, 'Family' means spouse, dependent children and dependent parents of Mr. Vijay J. Mansukhani). In the event medical bills are not submitted, Mr. Vijay J. Mansukhani will be entitled to medical allowance upto the above ceiling.

The total remuneration by way of salary and perquisites shall not be exceeding Rs. 120 lacs p.a. as per effective capital of the Company computed as per Schedule V to the Companies Act, 2013.

[B] PERQUISITES NOT INCLUDED IN MANAGERIAL REMUNERATION:

The following perquisites shall not be included in the computation of above ceiling as per Schedule V to the Companies Act, 2013.

(1) Provident Fund/ Superannuation / Annuity Fund:

Contribution to Provident Fund/Superannuation/ Annuity Fund shall be in accordance with the approved scheme/ fund of the Company as in force from time to time and not included in computation of ceiling on perquisites to the extent that these either singly or put together are not taxable, under the Income Tax Act.

(2) Gratuity

Gratuity payable shall not exceed half a month's Salary for each completed year of service.

(3) Encashment of Leave:

At the end of the tenure and it shall not be included in the computation of above ceiling.

[C] OTHER BENEFITS:

Fully maintained Cars for use on Company's business, telephone, mobile, internet, facsimile and other communication facilities. Personal long distance calls on telephone and use of car for private purpose shall be reimbursed to the Company.

[D] ANNUAL INCREMENTS:

In case of Company making profits, the Managing Director will be entitled to an annual increment as may be decided by the Nomination and Remuneration Committee however the total remuneration payable to the Managing Director in any financial year shall not exceed 5% of the Net Profits of the Company as computed under Section 198 of the Companies Act, 2013.

[E] MINIMUM REMUNERATION

In the event of inadequacy or absence of net profits in any financial year, the above remuneration as permissible under Schedule V to the Companies Act, 2013 shall be the minimum Remuneration payable to the Managing Director.

For the purpose of calculating the value of Perquisites herein above, the same shall be evaluated as per Income Tax Rules, 1962, wherever applicable.

The Managing Director shall not be entitled to receive any fees for attending meetings of the Board / Committee.

A copy of the agreement executed between the Company and Mr. Vijay J. Mansukhani (DIN: 01041809) is available for inspection by the members of the Company in physical or in electronic form at its registered office of the Company situated at G-1, Onida House, M.I.D.C., Mahakali Caves Road, Andheri (E), Mumbai 400 093 on all working days (except Saturday) during business hours up to date of the ensuing Annual General Meeting.

Mr. Vijay J. Mansukhani (DIN: 01041809) is relative of Mr. Gulu Mirchandani (DIN: 00026664), Chairman & Managing Director of the Company and both of them and their respective relatives are deemed to be directly or indirectly concerned or interested in the re-appointment and remuneration of Mr. Vijay J. Mansukhani (DIN: 01041809), as stated in the resolution and are not entitled to vote on this resolution. Further no member of the Company shall vote on above special resolution, if such member is a related party.

The Board recommends the resolution at Item No. 4 to be passed as Special Resolution.

None of the Directors other than Mr. Vijay J. Mansukhani himself and Mr. Gulu Mirchandani, being relative, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 of the Notice.

Item No. 5:

The Board of Directors in their Board meeting held on April 03, 2023, approved the appointment of Mr. Shirish Suvagia (DIN: 10095690), as an Additional Director pursuant to Section 161 of the Companies Act, 2013 and Article 127(a) of the Articles of Association of the Company with effect from April 04, 2023 to share his rich experience and expertise for the benefit of the Company. His term of appointment as an Additional Director expires at ensuing Annual General Meeting. The Company has received necessary notice as required under Section 160 of the Companies Act, 2013 proposing his candidature as a Director.

Mr. Shirish Suvagia (DIN: 10095690), has informed the Company that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Mr. Shirish Suvagia (DIN: 10095690), is a B. Com, M. Com, Chartered Accountant, and pursued his Post Graduate Programme in Management (PGPMX) from IIM Indore. Brief information of Mr. Shirish Suvagia (DIN: 10095690), is given in the Annexure annexed to the Notice.

The Board of Directors consider that the appointment of Mr. Shirish Suvagia (DIN: 10095690), as a Director will be of advantage to the Company and accordingly, the Board recommends the above resolution to be passed as Ordinary Resolution.

None of the Directors, except Mr. Shirish Suvagia (DIN: 10095690), himself, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of the Notice.

Item No. 6:

Pursuant to recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board meeting held on April 03, 2023, approved the appointment and remuneration of Mr. Shirish Suvagia (DIN: 10095690), as a Whole-time Director of the Company for a period of 3 (Three) years with effect from April 04, 2023, subject to the approval of members of the Company. The material terms and conditions as approved by the Board of Directors and contained in the agreement entered into between Mr. Shirish Suvagia (DIN: 10095690) and the Company are as follows:

I] The Whole Time Director shall continue to be subject to the supervision and control of the Board of Directors, and carry out such duties as may be entrusted to him by the Board of Directors, Managing Directors & Chief Executive Officer of the Company and shall exercise such powers as are delegated to him by the Board of Directors from time to time.

II] PERIOD OF APPOINTMENT:-

The tenure of appointment shall be for a period of three years effective from April 04, 2023 to April 03, 2026.

III] [A] REMUNERATION:-

Subject to the ceiling limits laid down in Section 197 read with Schedule V of the Companies Act, 2013, remuneration by way of salary, and perquisites permissible to the Whole-time Director shall be as under:-

a) Basic Salary

Basic: Rs. 25,80,000/- (Rupees Twenty-Five Lakhs Eighty Thousand only) per annum.

b) Special Allowance

Special Allowance: Rs. 29,59,356/- (Rupees Twenty-Nine Lakhs Fifty-Nine Thousand Three Hundred Fifty-Six only) per annum.

c) Performance Pay

Performance Pay: Rs. 5,00,000/- (Rupees Five Lakhs only) per annum (The performance pay will be as per the performance rating for the financial year. The performance pay will be linked to individual and Company performance).

d) Education Allowance

Education Allowance: Rs. 2,400/- (Rupees Two Thousand Four Hundred only) per annum.

e) Lunch Allowance

Lunch Allowance: Rs. 13,200/- (Rupees Thirteen Thousand Two Hundred only) per annum.

f) Bonus/ Ex-Gratia

Bonus/Ex-Gratia: Rs. 5,16,000/- (Rupees Five Lakhs Sixteen Thousand only) per annum.

g) Perquisites

In addition to the above, the Whole-time Director shall be entitled to the following perquisites. Unless the context otherwise requires, the perquisites are classified into three categories 'A', 'B' and 'C' as follows:

Category 'A'

This will comprise of House Rent Allowance, Leave Travel Concession and Medical re-imburement.

This will be provided as under:

(1) Housing

- i) The expenditure incurred by the Company on hiring furnished accommodation will be subject to a ceiling of 50% of basic salary.
- ii) In case Company owns the accommodation, the Company shall deduct 10% of the basic salary of the Whole-time Director.
- iii) In case no accommodation is provided by the Company, the Whole-time Director shall be entitled to a House Rent Allowance subject to ceiling of 50% of his basic salary.

(2) Leave Travel Allowance:

Rs. 48,000/- (Rupees Forty-Eight Thousand only) per annum for self and family, once in a year, in accordance with the Rules of the Company.

(3) Medical Reimbursement:

Medical expenses incurred by Mr. Shirish Suvagia and his family, subject to a ceiling of Rs. 15,000/- (Rupees Fifteen Thousand only) per annum (For the purpose, 'Family' means spouse and children of Mr. Shirish Suvagia).

(4) Hospitalisation benefit:

Hospitalisation benefit as per the mediclaim policy of the Company for spouse and children.

(5) Benevolent Fund:

Benevolent Fund as per the policy of the Company.

Category 'B'

1) Provident Fund/ Superannuation / Annuity Fund:

Contribution to Provident Fund/Superannuation/ Annuity Fund shall be in accordance with the approved scheme/ fund of the Company as in force from time to time and not included in computation of ceiling on perquisites to the extent that these either singly or put together are not taxable, under the Income Tax Act.

2) Gratuity:

Gratuity payable shall not exceed half a month's salary for each completed year of service.

3) Encashment of Leave not availed of:

As per the rules of the Company, it shall not be included in the computation of ceiling on Perquisites.

Category 'C'

1) The Whole-time Director will be entitled to claim following expenses:-

- a) Vehicle Maintenance Reimbursement Rs. 6,00,000/- (Rupees Six Lakhs only) per annum.
- b) Driver Reimbursement Rs. 2,40,000/- (Rupees Two Lakhs Forty Thousand only) per annum.
- c) Fuel Reimbursement Rs. 3,00,000/- (Rupees Three Lakhs only) per annum.

2) Mobile reimbursements as per the Company's policy.

[B] ANNUAL INCREMENTS:-

The Whole-Time Director will be entitled to an annual increment not exceeding Rs. 10,00,000/- (Rupees Ten Lakhs only) every year, as may be recommended by the Nomination and Remuneration Committee and duly approved by the Board of Directors.

[C] MINIMUM REMUNERATION: -

In the event of inadequacy or absence of net profits in any financial year, the above remuneration as permissible under Schedule V to the Companies Act, 2013 shall be the minimum Remuneration payable to the Whole-Time Director.

For the purpose of calculating the value of perquisites herein above, the same shall be evaluated as per Income Tax Rules, 1962, wherever applicable.

The Whole-Time Director shall not be entitled to receive any fees for attending meetings of the Board/ Committee.

A copy of the agreement executed between the Company and Mr. Shirish Suvagia (DIN: 10095690), is available for inspection by the members of the Company in physical or in electronic form at its registered office of the Company situated at G-1, Onida House, MIDC, Mahakali Caves Road, Andheri (E), Mumbai - 400 093 on all working days (except Saturday) during business hours up to date of the ensuing Annual General Meeting.

The Board recommends the above resolution to be passed as special resolution.

None of the Directors, except Mr. Shirish Suvagia (DIN: 10095690) himself, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 6 of the Notice.

Item No. 7:

On the recommendation of the Audit Committee, the Board of Directors in their meeting held on May 26, 2023 has approved the re-appointment and remuneration of Cost Auditor, Mr. Suresh D. Shenoy, Cost Accountant, (Registration No. 8318 with the Institute of Cost Accountants of India) to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024 on an audit fees of Rs. 2,50,000/- (Rupees Two Lacs Fifty Thousand only) p.a. plus GST thereon, as applicable, besides travelling and other out of pocket expenses to be incurred by him for the purpose of such audit.

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be approved by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for approval of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2024.

The Board recommends the Ordinary Resolution for approval of the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 7 of the Notice.

STATEMENT OF DISCLOSURE PURSUANT TO SCHEDULE V TO THE COMPANIES ACT, 2013 IN RELATION TO ITEM NO. 4 AND 6 OF THE NOTICE:

I. General Information

• Nature of Industry:

The Company is engaged in the business of manufacture and marketing of consumer electronics goods primarily under the brand named 'Onida'. The Company has three manufacturing plants viz, Wada (Maharashtra), Lote-Parshuram, Chiplun (Maharashtra) and Roorkee-II (Uttarakhand).

- Date of commencement of commercial production: The commercial production started at Wada plant in July, 1994 and Roorkee Plant -II in October, 2009 respectively.

• Financial performance of the Company

Amount (in Cr.)

Particulars	Financial Year		
	2022-2023	2021-2022	2020-2021
Gross Turnover	1106.87	1190.61	762.69
Profit/(Loss) before Tax	(12.47)	(2.96)	(5.95)
Profit/(Loss) after Tax	(12.47)	(20.07)	1.89
Dividend	---	---	---

• Export performance and net foreign exchange collaborations:

Export performance and total foreign exchange earnings for the financial year 2022-2023 is Rs. 44.07 Lacs.

• Foreign investment or collaborators : NIL

However as on March 31, 2023, the total Foreign Shareholding is 38,08,020 equity shares constituting 1.65% of the paid-up share capital which includes Foreign portfolio investor (Corporate) holding of 24,58,433 equity shares and NRI holding of 13,49,587 equity shares.

II. Information about the appointees:

A. Mr. Vijay J. Mansukhani (DIN: 01041809):

- Background details: Mr. Vijay J. Mansukhani, is one of the main promoters of the Company and is associated with the Company since its inception. He is a graduate from the College of Marine Engineering, Mumbai.

• Past Remuneration: As stated below

Amount (in Rs.)

Particulars	Financial Year		
	2022-2023	2021-2022	2020-2021
Salary, Allowance & Perquisites	1,11,84,000	1,11,84,000	1,02,80,400
Provident Fund & Superannuation / Gratuity	9,79,200	9,79,200	8,73,170
Total	1,21,63,200	1,21,63,200	1,11,53,570

Note: - Contribution to Provident Fund & Superannuation / Gratuity payable shall not be included in the computation of the ceiling on managerial remuneration specified in Schedule V to the Companies Act, 2013.

- Recognition or awards: He has over 43 years of experience in electronic industry and proven expertise in driving the organizational growth through the enhancement of existing growth areas and developing potential opportunities.
- Job profile and suitability: He is Managing Director of the Company. He is a key member in devising and implementing corporate growth strategy for the Company.
- Remuneration proposed: As stated in agenda item no. 4.
- Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person: The remuneration for the similar position in the Industry, having regard to the size of the Companies and profile of persons is not less than the proposed remuneration of Mr. Vijay J. Mansukhani.
- Pecuniary relationship or relationship with managerial person: Mr. Vijay J. Mansukhani is brother in law of Mr. Gulu L. Mirchandani, Chairman and Managing Director and uncle of Mr. Kaval Mirchandani, Whole-time Director of the Company.

B. Mr. Shirish Suvagia (DIN: 10095690):

- Back ground details: Mr. Shirish Suvagia is a B. Com, M. Com, Chartered Accountant, and pursued his Post Graduate Programme in Management (PGPMX) from IIM Indore.
- Past Remuneration: N.A. (As appointed w.e.f. April 04, 2023)
- Recognition or awards: He has vast experience in various industries.
- Job profile and suitability: He is a Whole-time Director of the Company. He has been influential in devising and implementing the various corporate strategies for the Company.

- Remuneration proposed: As stated in agenda item no. 6.
- Comparative remuneration profile with respect to Industry, size of company, profile of the position and person: The remuneration for the similar position in the Industry, having regard to the size of the companies and profile of persons is not less than the proposed remuneration of Mr. Shirish Suvagia.
- Pecuniary relationship or relationship with managerial person: Mr. Shirish Suvagia has no interest in the capital or any relation with the managerial personnel of the Company.

III. Other Information:

- Reasons of loss or inadequate profit:

Financial Year 2022-2023 was a year of challenges for most of the businesses in India including consumer durables segment. The contraction in demand and severe liquidity crisis affected most of the companies including the Company thus impacting the top line and bottom line of the Company.

- Steps taken/ proposed to be taken for improvement and expected increase in productivity and in profit in measurable terms:

The Company has plans towards brand building through advertising in the print and non-print medium/media to keep up the brand visibility. The Company has embarked on a series of strategic and operational measures that is expected to result in improvement in the present position. The inherent strengths of the Company, especially its reputation, powerful brands and deep distribution network are also expected to enable the Company to position itself during adversities. The Company has strategically planned to address the issue of productivity and service and increase profits and has put in place measures to reduce cost and improve the bottom line.

**By order of the Board
for MIRC Electronics Limited**

**Place: Haridwar
Date: May 26, 2023**

**Gulu Mirchandani
Chairman & Managing Director**

Details of directors seeking appointment/re-appointment in the Forty-Second Annual General Meeting

As per Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 of ICSI

Name of Director	Mr. Vijay J. Mansukhani	Mr. Shirish Suvagia
Date of Birth (age)	21.06.1949 (73 years)	23.09.1980 (42 years)
Nationality	Indian	Indian
Date of first Appointment on the Board	01.01.1981	04.04.2023
Shareholding in the Company (as on March 31, 2023)	2,63,35,774 (11.41%)	0 (0.00%)
Board Meetings attended during the financial year 2022-23	5	N.A.
Qualification	Graduate from the College of Marine Engineering, Mumbai.	B. Com, M. Com, Chartered Accountant, and Post Graduate Programme in Management (PGPMX) from IIM Indore.
Expertise in specific functional areas	More than 43 years of experience in electronic industry and proven expertise in driving the organizational growth through the enhancement of existing growth areas and developing potential Opportunities.	More than 19 years of experience in Finance & Accounts, Business Partnering & Controlling, Treasury, Merger & Acquisition, Strategic Business Planning, Equity Structuring, Fund raising etc.
Last drawn remuneration (including sitting fees and commission)	Rs. 1,21,63,200 p.a. for F.Y. 2022-23	N.A.
Directorship held in other listed entities along with listed entities from which the director has resigned in the past three years	None	None
Membership of Committees of the Board of other listed entities along with listed entities from which the director has resigned in the past three years	None	None
Relationship, if any between Directors inter-se.	Mr. Vijay J. Mansukhani is brother in law of Mr. Gulu L. Mirchandani, Chairman & Managing Director and uncle of Mr. Kaval Mirchandani, Whole-time Director of the Company.	None

Note: None of the Non-Executive Directors holds any equity shares in the Company.



PRIDE OF INDIANS

#IndiaKaOnida

ABOUT US



With 42 years of Innovation and Excellence, MIRC Electronics Limited (ONIDA) has always been known TV or high quality innovative and futuristic products.

Being an Indian company and the pride of India for 42 years, Onida has always strategically kept Indians and their needs as the main priority and developed products as per these needs. The company understands the unique requirements of the Indian consumer more than any other company does. This has found expression in many of the innovative products that have been launched over the years. This understanding of the consumer is one of the core strengths of the company that has enabled it to compete in the market in categories like Air Conditioners, LED Panel Displays, Washing Machines, Microwaves and recently introduced Refrigerators, Air Coolers and Dishwashers.

Having won the trust of millions of consumers in the Indian Durable space, the brand has been instrumental in introducing new technologies and innovative products and has been communicating about these innovations to consumers in the right way and through the right mediums.

This trust bestowed upon us by our consumers is truly a reflection of our continued success. We always believe in offering the best quality products with high-end specifications at affordable prices, thereby, empowering users with luxury at an attractive price. Taking forward the same approach, we present yet another exemplary range of Air Conditioners that will provide you with an unparalleled experience.

Our Air Conditioners are designed for Indian Climates and with great Pride we will continue to carry on this magnificent legacy to serve you and forever will be **#IndiaKaOnida**.





VISION

Our aim is to make Indians proud of the Made-In-India label by providing highly innovative products, which are better than the competition, which simplify our lives and provide an unmatched customer experience.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Gulu L. Mirchandani

Chairman and Managing Director (DIN 00026664)

Mr. Vijay J. Mansukhani

Managing Director (DIN 01041809)

Mr. Kaval Mirchandani

Whole Time Director (DIN 01179978)

Mr. Shirish Suvagia

Whole-time Director and Chief Financial Officer
(DIN 10095690)

Mr. Rafique Malik

Independent Director (DIN 00521563)

Mr. Carlton Pereira

Independent Director (DIN 00106962)

Mr. Arvind Sharma

Independent Director (DIN 01229072)

Ms. Mohita Arora

Independent Director (DIN 08771417)

Chief Executive Officer (CEO)

Mr. Vikram Surendran

Company Secretary and Compliance Officer

Mr. Prasad Oak

Statutory Auditors

M/s. S R B C & CO. LLP, Chartered Accountants

BANKERS

- State Bank of India
- HDFC Bank
- IDBI Bank
- Canara Bank

REGISTERED OFFICE

Onida House, G-1, M.I.D.C., Mahakali Caves Road, Andheri (East), Mumbai:- 400 093

Tel.: +91 22 6697 5777 Fax: +91 22 2820 2002

Email ID: investors@onida.com Website: www.onida.com

CIN : L32300MH1981PLC023637

FACTORY PREMISES

- Village Kudus, Bhiwandi Wada Road, Taluka Wada, Dist. Palghar, Maharashtra – 421 312.
- Khasra No.399 to 401 & 405 to 410, 158 KMS Milestone, Delhi-Roorkee Highway – NH 58, Village– Mundiyaiki, Pargana–Manglour, Tehsil– Roorkee, Dist–Haridwar, Uttarakhand – 247 670.
- Chiplun – Plot No. G-1, Lote Parshuram Industrial Area, Village Dhamandevi, Taluka Khed, Dist. Ratnagiri, Maharashtra – 415 639.

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083

Tel.: +91 22 2594 6970-78, Fax: +91 22 2594 6969, Email ID: rnt.helpdesk@linkintime.co.in

CHAIRMAN'S NOTE

Dear Stakeholders

As we reflect on the past year, we take great pride in the role our company has played in contributing to the growth and development of India. We are proud to be an Indian company, and we remain committed to being a responsible corporate citizen and contributing to the progress of our nation.

Over the years, we have built a strong reputation for ourselves in the industry, not only for the quality of our products and services but also for our unwavering commitment to ethical business practices. Our success has been possible due to the dedication and hard work of our employees, who embody the spirit of India and its people. As we continue to grow and expand our business, we strive to create value for our customers while balancing the needs of the larger community.

As we embark on a journey, it's imperative that we continuously strengthen all the touch points with our customers and create strong brand association. Customer service is playing a very important role in creating a lasting impact about the brand in customers mind. Our focus is to build our customer service as a competitive advantage and we have taken multiple initiatives in last 2 years including getting the service under MIRC. We have improved our network coverage, introduced ORM (Online Reputation Management) to improve the control and reduce the customer escalations, thereby establishing the culture of collecting the direct feedback from consumers which showed an NPS (Net Promoter Score) of 80%.

In order to jump shift our service experience to the next level, we are embarking on a "Service Digital Transformation Journey" exploiting the best technologies available in the market place and launched a New State of the art Service CRM - 'E Serve' on 18th December, 2022.

We are quite confident that these initiatives will give the best experience to our customers and make Onida service a key differentiator.

Highlighting our progress in driving innovation across our business, we have continued to invest in research and development to bring new and exciting products to market. Our focus has been on creating innovative solutions that not only meet the needs of our customers, but also address the broader societal and environmental challenges we face.

In brand Onida, we have launched new excellent affordable products into the market like Onida Fire TV Version 3 which is a complete sensory treat. We further strengthened our Air conditioner category by introducing a new range of Trendy, Magnus, Gloria, Arena, Daisy Inverter Air Conditioners and Fixed Speed Air Conditioners - Glacia and Aster. Raising the bar with the new line-up, the latest products come with "Powerful Cooling, High Efficiency" and has sophisticated designs to upgrade to a premium lifestyle. In our Air Cooler category, we have launched 5 new models in the Personal Cooler space and Desert Cooler space with different variants and litres. In our Washing Machine category, we launched high-end premium fully automatic 7kg & 8kg, 5 Star washing machines with Crystal Drum technology. This will help us establish ourselves in the premium segment. We also launched the Cyclone range of 12kg & 11kg Washing Machines in the Semi-Automatic category with Heavy Duty Motor and Waterfall Technology.

Overall, our category innovation efforts are a testament to our commitment to driving sustainable growth and creating value for all our stakeholders. We look forward to continuing to push the boundaries of innovation in the years ahead.

In conclusion, I would like to express my gratitude to our shareholders, customers, employees, and all other stakeholders for their continued support and trust in us. Together, we can contribute to building a stronger and more prosperous India.



MR. GULU MIRCHANDANI
Chairman & Managing Director



MANAGING DIRECTOR NOTE

Dear Stakeholders

In these changing times, to run a good company, we realised, the most important thing is communication. We communicate very honestly, openly, transparently and authentically and we talk to our employees about any of the issues that they wish to talk about. Employees today care deeply about what the organization they work for stands for. They are about our purpose and what we believe in. Our purpose as a company is to power an inclusive future for all.

Regarding layoffs, even the best businesses had to make difficult decisions and make sure those tough choices were communicated clearly and carried out thoughtfully. We were just honest about why we had to do it. We recognize that the issues that come up in the workplace now may be different than what employees and management discussed before. We have always been honest, but the topics that we are willing to actually talk to our employees about has changed significantly. Gathering more employees under one roof will foster the kind of communication that employees seem to cherish. We think it is important to set the tone from the top on how we are going to operate as an organization. Right now our only strategy is to have employee and customer satisfaction.

When it comes to consumer desire we are facing the difficulty of keeping up with ever evolving consumer needs. We have risen to this challenge with our diverse product range and a diverse line up with cutting edge technology that has kept our markets strong. We have integrated the core functions of R&D, Production, Sales and Service across destinations which are a key driver in the sale of our products.

India is poised to become one of the fastest growing countries and many opportunities locally and from abroad will be available to us. We have two businesses which are Onida branded and OEM manufacturing for others. Both these businesses should see good growth and we will be focusing on both these product lines. We are constantly innovating and designing new products to cater to the customer needs. Along with this, profitability will also be our strategy and for which we have a succession plan in place.

With all the chaos swirling, perhaps the only certain thing is that 2023 will be even more uncertain. We are focusing on how to protect our company from problems that came with COVID. We are compiling our strategies for steering our businesses in volatile times, including raising prices, taking care of our employees and seizing opportunities that arise when competitors stumble.

The takeaway : We will act decisively in stormy times so that we can reap big rewards when the waters finally get calmer.



MR. VIJAY MANSUKHANI
Managing Director



MR. VIJAY MANSUKHANI WELCOMING VIKRAM SURENDRAN AS THE CEO OF MIRC ELECTRONICS LTD.

"We are glad to welcome on board Vikram Surendran as the new CEO with effect from, 12th April 2023. Vikram's joining as the CEO of MIRC Electronics will further strengthen the organization, and help it drive profitable growth. Vikram is an accomplished business leader with a proven track record, of over 32 years, building high-performance organizations, crafting great brands, business transformation, business scale-up and delivering robust business results. Vikram has successfully demonstrated these qualities across great organizations such as Hindustan Unilever and Eureka Forbes.

Vikram's experience and leadership skills will surely help MIRC in the next stages of it's growth. With his dynamic leadership he will work on revitalizing the Onida brand and overall customer experience. I am confident that Vikram will capitalize on this attribute of our iconic brand and take it to newer heights of success."

Vikram says, "I am happy to be a part of MIRC Electronics Ltd. which had given birth to an iconic brand like Onida in the early 80's. My core focus here would be to drive accelerated growth for all the categories, with an end-to-end focus on brand-building, innovation, supply chain, digitalization, talent, and sustainability. I look forward to working closely with the team and building the success story of Onida."



MR. VIKRAM SURENDRAN
Chief Executive Officer (CEO)



INTRODUCING A NEW AGE OF SMART TELEVISIONS



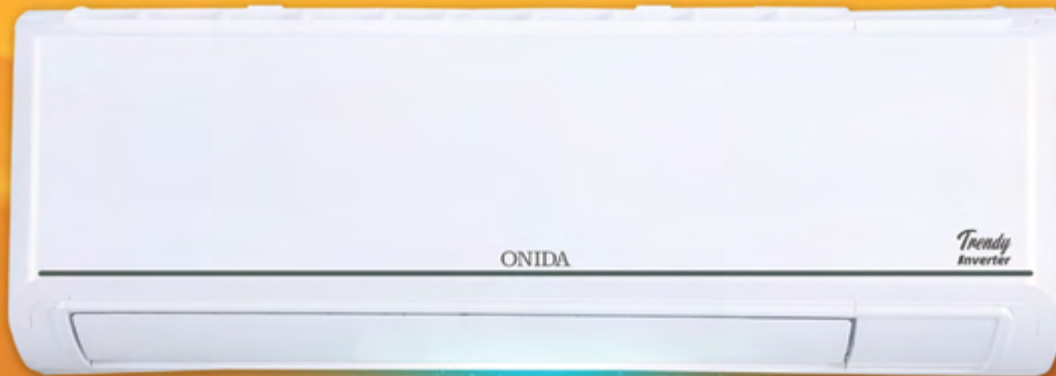
After Successfully Launching Version 3 of the Fire TV, Get Ready for Onida's NEXG Android & Google TVs.

Onida launched Version 3 of the Fire TV Series with a variety of additional features after the success of its 2 predecessors which is currently selling on Amazon and offline stores. Furthermore, the fire TV was launched in multiple variants covering almost all the TV segment sizes right from 32 to 55. Version 3 of the TVs came with a bezel less design and also for the first time saw HDR10 which is generally not present in smaller screen sizes like 32 and 43. Another interesting feature that Onida added is the Dual Functionality Voice Remote which is a unique feature where you can control both your TV as well as your set top box via one remote. The upgraded Fire OS also gives access to 12000 plus apps from the Fire Store with personalization of up to 6 profiles. The 4K models also came with Dolby Atmos Dolby Vision to give you a powerful viewing experience. Moreover to satiate the Indian customers thirst for outstanding sound, Onida introduced it's Fire TV - Theatre Models which come with an additional sound bar that produces 10x times more bombastic sound.

Onida is known for delivering what the customers need and keeping the demand of Indians in mind, this year Onida will also be launching its next generation of Google and Android TVs. Onida's android TV will come in 32 and 43 for online and the offline models will feature the KY Rock Speakers which is a great addition. Onida will also be launching their Google 4K TVs in both online and offline markets in 43, 50, 55, 65 and 75. Keeping in mind the demand for larger screen size, Onida extended it's model line-up and introduced a 75 inch TV too.

POWER OF
2IN1

POWERFUL COOLING. HIGH EFFICIENCY



5 Star
Rating



BLDC
Technology



Large IDU
1035mm



4 Way
Swing



Quiet
Operation



Flexi 5
Inverter



Remote Sensor
Cooling



Purification



To Download the Product
Catalogue Scan the QR Code

ONIDA INTRODUCES HEAVY DUTY AIR CONDITIONERS WITH THE POWER OF 2 IN 1. POWERFUL COOLING. HIGH EFFICIENCY.

Indian customers want an Air Conditioner that provides strong cooling but at the same time does not increase the electricity bill. Keeping this insight in mind we came up with an Air Conditioner that provides the best of both the Worlds to the Indian customer. Powerful Cooling and High Efficiency.

Onida launched its 2023 range with the Power of 2 in 1 giving you Powerful Cooling and High Efficiency. It introduced the BLDC technology that helps in less power consumption, powerful air flow and low maintenance. Onida introduced a series of excellent features like, Tri-Filter Purification which protects the air from air borne particles. Remote Sensor Technology which senses temperature around the remote and delivers the most comfortable temperature as per your need giving you a comfort cooling experience. Long piping flexibility of upto 25 metres, giving you the liberty to set up your indoor and outdoor unit as per your needs. It also provided a larger IDU and ODU to give the customers the ultimate cooling experience.

These features added to the overall performance of the AC in addition to it's existing features like Flexi - 5 which helps the customers control the cooling capacity as per their needs in real time. Keeping the durability in check, Onida's Air Conditioners come with Hydrophilic Blue Fin technology which prevents the accumulation of water on the surfaces of the fins.

In one of the Models, Onida also introduced Dual Drainage Flexibility which helps you decide which side of the indoor unit you will need an outlet based on your home setting and placement of the Air Conditioner without carrying out major civil changes.

POWERFUL WASH EXPERTS FOR ALL YOUR WASHING NEEDS



One of the most widespread technologies in this century happens to be the Washing Machine. In today's world, it is hard to come across a home without a Washing Machine. This appliance is solely responsible for giving people across the country a significant amount of freedom as it deals with the responsibility to wash laundry. This is where Onida came in and has designed Washing Machines over the years to meet the needs of Indian Consumers. Not only did Onida widen their range in the past year but also introduced a range of sleek and stylish High End Semi- Automatic Washing Machines to complement its range of Top Load Fully Automatic Machines. Onida already has a wide range of 5 star Top Loading Washing Machines in 6.2, 6.5, 7, & 8 kg capacities selling both online and offline giving the consumer effective and efficient wash program options.

Keeping in mind the Indian customers' need for larger machines especially by large families, Onida this year introduced 11kg and 12kg Semi-Automatic Washing Machines which gives you a jumbo wash and can wash upto 30 clothes in one cycle. Onida also launched designer high end glass models with pleasing designs you give you an option of a premium machine bundle with a powerful motor, super drum wash with dual waterfall technology. This year Onida is focusing on Washing Machines with a powerful performance as Onida is known for their powerful and thorough wash performance and hence are the Powerful Wash Experts and will be focusing on this communication more. Onida's Washing Machine category will also be launching a few unique models in the coming months, one of which includes an 8 Kg Fully Automatic Top Load Washing Machine with an In-built Heater and Sensomatic Wash Technology.



Onida introduced Direct Cool Refrigerators in the year 2020-21 with floral designs and within one year the brand got a fabulous response from the consumers. This gave the brand the confidence to expand the category with new variants of 190L, 195L and 215 L to give a wide range of choice to the consumers.

Onida also launched a sub 100L segment in the form of 92L Refrigerator which caters to a small family, students and big houses as a bedroom refrigerator. This can be used to store medicines for elderly people who want ease of access to their medicines that need to be stored at a particular temperature.

Based on the success in the past 2 years, Onida also launched a new glass door segment with varying capacities and options targeting various segment of customers.

WE'RE
COOLER
THAN YOU THINK!



In India, there are around 250-260 million households out of which a significant percentage of the population uses fans and Air Coolers during summers. Depending upon the cooling requirement and availability of space, Air Coolers such as Personal Coolers & Desert Coolers are available in the retail market. Air Cooling systems are widely accepted since they are cost effective and consume less power to function. This is where Onida came in and understood the need of Air Coolers which are suitable for regions with dry climates and can be used in all residential and commercial spaces with fresh air flow and ample ventilation.

The Indian Air Coolers Market is approximately 10 million units in 2022 out of which 33% is organised sector and is expected to grow at a CAGR of 9.04% in the forecast period, 2023-2028. The market is driven by the factors such as the rise in the disposable income of middle-class families and the ongoing process of rural electrification across the country. Also, the emergence of online sales channels and the continuous evolution in technology are expected to create lucrative growth opportunities for the Indian Air Coolers Market in the forecast period.

Onida, this year launched 5 new models in the Personal Cooler space and Desert Cooler space with different variants and litres. Moreover, the need of the hour in India's Hot Summers is efficient cooling and we made sure that the Air Coolers are packed with a powerful cooling experience with long air throw. The Air coolers also have a host of added features like Honey Comb Cooling Pads for a cooler moisturized air, Water Level Indicator and Turbo Fan Technology for air throw upto 45 feet from a 90 litre Cooler. The Air Coolers are available both in offline markets as well as on all online platforms.

#IndiaKaOnida

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3 YEAR HIGHLIGHTS

BALANCE SHEET

(₹ in Crores)

	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
I. Assets			
Non-current assets			
(a) Property, Plant and Equipment	83.65	89.52	86.30
(b) Capital work-in-progress	0.46	0.41	5.23
(c) Right of use assets	3.12	2.41	-
(d) Other Intangible assets	0.15	0.20	0.24
(e) Intangible assets under development	-	-	-
(f) Financial Assets			
(i) Investments	1.43	1.36	1.04
(ii) Others	8.48	9.35	1.73
(g) Income Tax Assets (Net)	3.06	2.77	1.72
(h) Other non-current assets	41.72	26.63	26.57
Total non-current assets	142.07	132.65	122.83
Current assets			
(a) Inventories	272.58	424.28	354.44
(b) Financial Assets			
(i) Trade receivables	89.57	102.22	114.79
(ii) Cash and cash equivalents	3.87	5.64	8.13
(iii) Bank balances	6.73	12.14	20.78
(iv) Others	1.86	3.79	13.26
(c) Income Tax Assets (Net)	-	-	-
(d) Other current assets	12.64	23.69	31.14
Total current assets	387.25	571.76	542.54
Total Assets	529.32	704.41	665.37
II. Equity and Liabilities			
Equity			
(a) Equity Share capital	23.11	23.11	23.11
(b) Other Equity	167.74	180.14	200.39
Total equity	190.85	203.25	223.50
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11.66	14.63	8.40
(ii) Lease liabilities	1.19	0.38	-
(iii) Others	-	0.47	3.99
(b) Deferred tax liabilities (Net)	-	-	-
(c) Provisions	7.52	7.34	6.40
Total Non current liabilities	20.37	22.82	18.79
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	67.69	53.08	69.22
(ii) Trade payables	214.41	383.45	323.71
(iii) Lease liabilities	1.19	0.25	-
(iv) Others	19.53	18.81	20.79
(b) Other current liabilities	10.74	17.63	4.28
(c) Provisions	4.54	5.12	5.08
Total current liabilities	318.10	478.34	423.08
Total Equity and Liabilities	529.32	704.41	665.37

3 YEAR HIGHLIGHTS

STATEMENT OF PROFIT AND LOSS

(₹ in Crores)

	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Income			
Revenue from operations	1,110.23	1,192.17	765.84
Other Income	2.44	5.33	2.19
Total Income	1,112.67	1,197.50	768.03
Expenses			
Cost of raw materials and components consumed	646.13	863.25	460.46
Purchases of Traded Goods	242.03	199.13	122.68
Changes in inventories of Finished Goods, Work-in-progress and Stock in Trade	71.52	(18.81)	57.47
Employee benefit expenses	66.04	60.68	51.09
Freight and forwarding expenses	24.72	22.36	19.66
Advertisement	6.08	7.79	1.48
Other Expenses	48.68	44.20	39.51
Total Expenses	1,105.20	1,178.60	752.35
Profit before depreciation, finance cost and tax	7.47	18.90	15.68
Finance Cost	10.90	14.08	14.94
Profit before depreciation and tax	(3.43)	4.82	0.74
Depreciation and amortisation expense	9.04	7.77	6.69
Profit before exceptional items and tax	(12.47)	(2.95)	(5.95)
Exceptional items	-	(17.12)	7.84
Profit / (Loss) before tax	(12.47)	(20.07)	1.89
Tax Expense	-	-	-
Current Tax	-	-	-
Deferred Tax	-	-	-
Total tax expense	-	-	-
Profit / (Loss) for the year	(12.47)	(20.07)	1.89
Other Comprehensive Income (net of tax)	-	-	-
Items that will not be reclassified to Profit or Loss	-	-	-
Remeasurement of the defined benefit plans	0.07	(0.19)	(0.30)
Total Other Comprehensive Income (net of tax)	0.07	(0.19)	(0.30)
Total Comprehensive Income for the year (net of tax)	(12.40)	(20.26)	1.59
Equity dividend paid	-	-	-
Year end price (₹)	11.75	19.05	13.35
Market capitalisation	271.37	439.96	308.32

Dear Members,

Your Directors are pleased to present the Forty-Second Annual Report along with the Audited Financial Statements of the Company for the financial year ended March 31, 2023.

The Financial highlights for the year under review are as under:

Results of Operations

(₹ in Crores)

Particulars	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Gross Turnover	1106.87	1190.61
Gross Profit (before interest, depreciation, tax and writing off of preliminary expense)	7.46	18.90
Interest	10.90	14.08
Depreciation	9.03	7.77
Net Profit/(Loss) before tax	(12.47)	(2.95)
Exceptional Profit/(Loss)	-	(17.12)
Profit/(Loss) After Tax	(12.47)	(20.07)
Balance in Profit & Loss A/c carried forward from the last year	(48.35)	(28.09)

Financial Performance:

During the year under review, your Company has made gross turnover of ₹ 1106.87 crores as against ₹ 1190.61 crores for the previous year. The Company has incurred loss of ₹ 12.47 crores.

The financial statements are prepared in accordance with Indian Accounting Standards for the financial year ended March 31, 2023 and forms part of this Annual Report.

Dividend and Transfer to General Reserves:

Considering the financial requirement for business growth and debt servicing, your Directors do not propose any dividend for the year ended March 31, 2023. There is no appropriation of any amount to General Reserves during the year under review.

Financial Statements:

The financial statement containing the Balance Sheet, Profit and Loss and Auditors' Report on the financial statements have been sent to those members who have registered their email id's with the Company.

Board of Directors:

The Board of Directors of the Company comprises of the following directors:

- (i) Mr. Gulu Mirchandani - Chairman & Managing Director;
- (ii) Mr. Vijay Mansukhani - Managing Director *;
- (iii) Mr. Kaval Mirchandani - Whole Time Director;
- (iv) Mr. Shirish Suvagia - Whole Time Director **;
- (v) Mr. Rafique Malik - Independent Director;
- (vi) Mr. Carlton Pereira - Independent Director;
- (vii) Mr. Arvind Sharma - Independent Director; and
- (viii) Ms. Mohita Arora - Independent Director

* Mr. Vijay Mansukhani, Managing Director, was re-appointed by the Board of Directors of the Company in its Board meeting held on May 26, 2023 as a Managing Director for a further period of three (3) years with effect from April 01, 2024, subject to approval of the members of the Company at the ensuing Annual General Meeting.

Post completion of the financial year under review, Mr. Lokesh Sikka resigned as a Director and Whole Time Director of the Company with effect from April 03, 2023 due to his personal commitments and the Board place on record its appreciation for the valuable inputs, guidance and services rendered by him during his tenure with the Company.

** Mr. Shirish Suvagia was appointed as an Additional Director w.e.f. April 04, 2023 at the Board meeting held on April 03, 2023. The Board has appointed also Mr. Shirish Suvagia as a Whole Time Director w.e.f. April 04, 2023 for a period of three (3) years with effect from April 04, 2023 subject to approval of the members of the Company at the ensuing Annual General Meeting.

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of the Directors) Rules, 2014 amended from time to time, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date).

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of the Directors) Rules, 2014 amended from time to

time, Mr. Vijay Mansukhani, Managing Director of the Company, shall be liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible for re-appointment. The Board recommends his re-appointment.

The Company has received notice as required under Section 160 of the Companies Act, 2013 from Mr. Gulu Mirchandani, Chairman & Managing Director of the Company proposing candidature of Mr. Shirish Suvagia as a Director and Whole Time Director of the Company.

The notice convening the Annual General Meeting includes the proposal for appointment/re-appointment of Directors.

Secretarial Standards:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2 relating to 'Meetings of Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Directors' Responsibility Statement:

In terms of Section 134(5) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 amended from time to time, your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with the requirements set out under Schedule III to the Companies Act, 2013, have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Corporate Governance:

Your Company believes in adopting best Corporate Governance practices. The Company has also implemented several best Corporate Governance practices as prevalent globally. The report on Corporate Governance as stipulated under Regulation 27 and Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date) forms an integral part of this Annual Report.

The requisite certificate from M/s. Nilesh Shah & Associates, Practicing Company Secretaries (Mr. Rakesh Achhpal, Partner, Membership No. ACS – 20438 & C.P. No: 54525) confirming the compliance with the conditions of the Corporate Governance as stipulated under Regulation 34(3) and Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date) is annexed to this Annual Report.

The declaration signed by Mr. Kaval Mirchandani, Whole-time Director of the Company regarding compliance of the Code of Conduct for Board members and Senior Management personnel forms part of this Annual Report.

Disclosure of Employee Stock Option Scheme (ESOS):

The Board of Directors of the Company in their meeting held on February 13, 2017 approved the employee stock option scheme termed as 'MIRC Electronics Limited – Employee Stock Option Scheme 2017' (MIRC ESOS 2017) under the provisions of Section 62 of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

The aforesaid MIRC ESOS 2017 was approved by the members of the Company at the Extra Ordinary General Meeting held on March 29, 2017. Particulars relating to MIRC ESOS 2017 are mentioned in **Annexure – A**.

Management Discussion and Analysis:

A detailed review of the operations, performance and future outlook of the Company and its business, as stipulated under Regulation 34(2)(e) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date), is presented in a separate section forming part of the Annual Report under the head 'Management Discussion and Analysis.'

Contracts and Arrangements with Related Parties:

During the year under review, all contracts/arrangements/transactions entered by the Company with related parties were in the ordinary course of business and on arm's length basis. The Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of the related party transactions.

The policy on materiality of related party transactions and dealing with related party transactions, as approved by the Board of Directors of the Company may be accessed on the website of the Company at the link <http://www.onida.com/policies>.

There were no material related party transactions which could have potential conflict with interest of the Company at large.

All related party transactions entered into by the Company were on an arm's length basis and in the ordinary course of business and the Company had not entered into any material related party contracts therefore no disclosure in Form AOC-2 is provided.

Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company having net worth of ₹ 500 crores or more or turnover of ₹ 1000 crores or more or net profit of ₹ 5 crores or more during immediately preceding financial year shall ensure that it spends, in every financial year, at least 2 (Two) percent of the average net profits made during three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

The Company has already constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013.

The statutory provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 with respect to spending in CSR activities are not applicable to the Company as on March 31, 2023.

Risk Management:

During the year under review, the Risk Management Committee has been entrusted with the responsibility to assist the Board in: (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of

addressing those risks. The Risk Management Policy was reviewed and approved by the Risk Management Committee constituted by the Board of Directors of the Company.

The Risk Management Committee manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

The Company has introduced several improvements to integrate Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities.

Internal Financial Controls:

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

Annual Return:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return in Form MGT-7 for the financial year ended March 31, 2023 is available on the Company's website at www.onida.com.

Key Managerial Personnel:

The Company has below mentioned persons as Key Managerial Personnel in terms of the requirement of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, within the meaning of Section 2 (51) of Companies Act, 2013:

Sr. No.	Name of the person	Designation
1.	Mr. Gulu Mirchandani	Chairman & Managing Director
2.	Mr. Vijay Mansukhani	Managing Director
3.	Mr. Kaval Mirchandani	Whole Time Director
4.	Mr. Lokesh Sikka *	Whole Time Director
5.	Mr. G. Sundar **	Chief Executive Officer
6.	Mr. Deepak Sarawagi ***	Interim Chief Financial Officer
7.	Mr. Sailesh Raj Kedawat #	Chief Financial Officer
8.	Mr. Prasad Oak	Head – Legal, Corporate Affairs & Company Secretary
9.	Mr. Shirish Suvagia ##	Chief Financial Officer
10.	Mr. Shirish Suvagia ##	Whole Time Director
11.	Mr. Vikram Surendran ###	Chief Executive Officer

* Mr. Lokesh Sikka resigned as a Director & Whole time Director of the Company w.e.f. April 03, 2023.

** Mr. G. Sundar has retired as Chief Executive Officer of the Company w.e.f. September 30, 2022.

*** Mr. Deepak Sarawagi resigned from the position of Interim Chief Financial Officer w.e.f. May 25, 2022.

Mr. Sailesh Raj Kedawat who was appointed as Chief Financial Officer of the Company w.e.f. May 26, 2022 has resigned w.e.f. September 09, 2022.

Mr. Shirish Suvagia was appointed as Chief Financial Officer of the Company w.e.f. November 11, 2022. Further he has been appointed as a Whole Time Director w.e.f. April 04, 2023.

Mr. Vikram Surendran was appointed as Chief Executive Officer of the Company w.e.f. April 12, 2023.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and as per Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date), the Company has devised a policy for performance evaluation of Independent Directors, Board of Directors, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors. A structured questionnaire was prepared after taking into consideration of the various aspects such as performance of specific duties, obligations, Board's functioning, composition of the Board and its Committees, culture and governance.

The performance evaluation of the Chairman, Executive Director and Independent Directors was carried out by the entire Board of Directors of the Company excluding the directors being evaluated. The Board of Directors expressed their satisfaction with the evaluation process.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company.

The following policies of the Company are annexed herewith marked as **Annexure - B-I** and **Annexure - B-II**:

a) Policy on remuneration of directors, key managerial personnel and other senior management employees (**Annexure - B-I**); and

b) Policy on criteria for appointment & evaluation of executive directors and independent directors (**Annexure - B-II**).

Public Deposits:

During the year under review, the Company has neither invited nor accepted any public deposit within the meaning of Section 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 amended from time to time.

Statutory Auditors:

The members of the Company at the Thirty-Seventh Annual General Meeting of the Company held on August 23, 2018, has re-appointed M/s. S R B C & CO. LLP, Chartered Accountants, (Firm Registration No. 324982E/E300003) as Statutory Auditors of the Company for a further term of five years and their term ends in ensuing Forty-Second Annual General Meeting. Since M/s. S R B C & Co. LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) have completed their two terms of five consecutive years, the Company pursuant to terms of Section 139 of the Companies Act, 2013 is now required to appoint another Auditor for a period of five consecutive years to hold office from the conclusion of Forty-Second Annual General Meeting till the conclusion of the Forty-Seventh Annual General Meeting of the Company. The Board of Directors at its meeting held on May 26, 2023, after considering the recommendation of the Audit Committee, has recommended for approval of members for the appointment of M/s. ASA & Associates LLP, Chartered Accountants, Firm Registration No. 009571N/N500006, as the Statutory Auditors of the Company. The proposed Auditors shall hold office for a term of five consecutive years commencing from the conclusion of the Forty-Second Annual General Meeting till the conclusion of Forty-Seventh Annual General Meeting of the Company.

Statutory Auditors Report:

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Cost Auditors:

Pursuant to the provisions of the Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 amended from time to time, the Board of Directors of the Company, on the recommendation of Audit Committee, has appointed Mr. Suresh D. Shenoy, Cost Accountant (Firm Registration No. 102173 with the Institute of Cost Accountants of India) as the Cost Auditor of the Company for the financial year 2023-2024. The remuneration of Cost Auditor needs to be approved by the members of the Company at the ensuing

Annual General Meeting. The Board recommends passing of the resolution for the same.

Secretarial Auditors:

M/s. Ragini Chokshi & Co., Practising Company Secretaries (Firm Registration No. 92897 with the Institute of Company Secretaries of India), was appointed to conduct the secretarial audit of the Company for the financial year 2022-2023 as required under Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 amended from time to time. The Secretarial Audit Report for financial year ended 31st March, 2023 is annexed herewith marked as **Annexure - C** to this Board Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Annual Secretarial Compliance Report:

The Company has undertaken an audit for the financial year 2022-2023 for all applicable compliances as per the provisions of Securities and Exchange Board of India Regulations and circulars/guidelines issued thereunder. The Annual Secretarial Compliance Report will be submitted to the stock exchanges in stipulated time in compliance with the Regulation 24A (2) of SEBI (LODR) Regulations, 2015 as amended from time to time.

Reporting of Frauds by Auditors:

During the year under review, the Statutory Auditor, the Secretarial Auditor, the Cost Auditor have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Companies Act, 2013.

Disclosures:

Meetings of the Board

The Board met 5 (five) times during the year and other details of meetings of the Board of Directors of the Company held during the financial year / tenure and the attendance of Directors forms part of the Corporate Governance Report.

Audit Committee

The Audit Committee comprises of Mr. Carlton Pereira, Chairman, Mr. Rafique Malik and Mr. Arvind Sharma as the members.

All the members of the Audit Committee are Independent Directors.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Mr. Rafique Malik, Chairman, Mr. Carlton Pereira and Ms. Mohita Arora as the member.

All the members of the Nomination and Remuneration Committee are Independent Directors.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of Mr. Rafique Malik, Chairman, Mr. Gulu Mirchandani, Mr. Vijay Mansukhani and Ms. Mohita Arora as the members.

Corporate Social Responsibility (CSR) Committee

The CSR Committee comprises of Mr. Gulu Mirchandani, Chairman, Mr. Vijay Mansukhani and Mr. Rafique Malik as the members.

Risk Management Committee

The Risk Management Committee comprises of Mr. Gulu Mirchandani, Chairman, Mr. Vijay Mansukhani and Mr. Shirish Suvagia as the members.

The details of the Committee meetings held during the year under review are provided in the Corporate Governance Report.

Whistle Blower Policy/ Vigil Mechanism

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, your Company has adopted a Vigil Mechanism / Whistle Blower Policy. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and is also provided direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, 'Whistle Blower Policy' has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Chairman of the Audit Committee of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

The policy has also been uploaded on the website of Company i.e. <https://www.onida.com/policies>.

Code of Conduct for Prevention of Insider Trading:

The Board of Directors of the Company has amended and adopted the 'Code for Insider Trading & Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' ("**Code**") as formulated under Securities and Exchange of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

The Insider Trading Policy of the Company laid down the guidelines and procedure to be followed and disclosures to be made while dealing with the shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of dealings by employees of the Company. The Insider Trading Policy of the Company as amended from time to time, is available on the website of the Company i.e. <https://www.onida.com/policies>.

Particulars of Loan given, Investment made, Guarantee given and Securities provided by the Company

Particulars of loans given, investments made and guarantees given along with the purpose for which the loan or guarantee is proposed to be utilized by the recipient under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 amended from time to time, are provided in the respective notes in the financial statement.

Significant and Material order passed by the Regulatory or Courts

There were no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operation.

Material changes and commitments affecting financial position between end of the financial year and date of this report

There were no material changes and commitments affecting financial position of the Company during the period between end of the financial year and date of this Board Report.

Listing Fees

The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. The Listing fees for the financial year 2023-2024 for both the stock exchanges has been paid by the Company.

Information under Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification and re-enactment thereof till date), the details of the shares lying with the Company in Unclaimed Suspense Account as on 31st March, 2023 are as under:

Sr. No.	Description	No. of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the beginning of the financial year	4667	100085
2	Number of shareholders who approached issuer for transfer of shares from unclaimed suspense account during the financial year	0	0
3	Number of shareholders to whom shares were transferred from unclaimed suspense account during the financial year	0	0
4	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the end of the financial year	4667	100085

All the unclaimed shares are credited to a Demat Unclaimed Suspense Account and all the corporate benefits in terms of securities, accruing on these unclaimed shares shall be credited to such account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Transfer of Unpaid and Unclaimed Dividend

Pursuant to provisions of the Section 124 of the Companies Act, 2013, your Company did not have any dividend as lying unpaid or unclaimed for a period of 7 (seven) years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to provisions of the Section 125 of the Companies Act, 2013.

Transfer of Shares to the Investor Education and Protection Funds

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016, which have come into effect from September 07, 2016, the shares on which dividend has not been paid or claimed for seven consecutive years or more, then such shares have to be transferred to IEPF.

During the year, your Company did not have any equity shares which were required to be transferred to Investor Education and Protection Fund (IEPF).

Particulars of Employees and Related Disclosures

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification and re-enactment thereof till date), the disclosures pertaining to the remuneration and other details as required are appended as **Annexure - D** to this Board Report.

A statement containing the names of each employee employed throughout the financial year and in receipt of remuneration of ₹ 1.02 crore or more, or employed for part of the year and in receipt of ₹ 8.5 lakh or more per month, under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification and re-enactment thereof till date), is available for the inspection at the registered office of the Company. Any member interested in obtaining such information may write to the Company Secretary of the Company and the same will be furnished to them.

Internal Control System

The Company has adequate internal control system commensurate with its size and business. The Internal Auditors of the Company reviewed that all the financial transactions of the Company are in line with the compliance of laws, policies and procedures and have been correctly recorded and reported. The Internal Audit is conducted on regular basis and the reports are submitted to the Audit Committee on quarterly basis at their quarterly meetings. The Audit Committee actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same.

Research and Development

The Company recognizes that a vigorously intelligent research initiative enables not only cost reduction through effective process improvement but also value-addition through sustained innovative and customized products in line with customer requirements.

The Company is proud to have a team of dedicated engineers at the ONIDA Research and Development Centre in Mumbai, who facilitate in making state-of-the-art technology products, satisfying customer expectations.

This team conducts research in the areas of:

- Embedded Software.
- Industrial Design.

- Mechanical Design.
- Electrical Circuit Design.

Conservation of Energy, Technological Absorption, Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 as amended from time to time, are set out in the **Annexure - E**.

Environment

The E-Waste (Management) Rules, 2016 (hereinafter referred to as "E-Waste Rules") are in force as applicable to the company. As per the E-Waste Rules, all producers have to meet Extended Producer Responsibility (EPR) along with the defined targets. As per E-Waste Rules, all producers have to make EPR Authorisation Application to Central Pollution Control Board (CPCB). The Company has a tie up with authorised recyclers for recycling the electronic waste.

The details of E-Waste along with collection centres and pick up facility have been uploaded on the website of the Company. The Company appeals to all stakeholders to dispose all End of Life (EOL) products through Company's authorized recyclers. The required details are available on the website of the Company viz. www.onida.com.

The manufacturing plant situated at Wada, Maharashtra has more than 10 acres of Green Cover. The Company makes all out efforts for maintaining such Green cover and supports the prevailing environmental issues.

General:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions / events on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Whole-Time Directors of the Company receive any remuneration or commission from any of its subsidiary. The Company has no Subsidiary.

Prevention of Sexual Harassment:

Your Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination. In Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a Policy on prevention of Sexual Harassment of Women at workplace, is available on the website of the Company i.e. <https://www.onida.com/policies> and has duly constituted an Internal Complaints Committee under the same.

Your Directors further state that during the year under review, no case was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Applications under the Insolvency and Bankruptcy Code, 2016:

There were no applications made by the Company or upon the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review. There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016 by / against the Company as on March 31, 2023.

The details of difference between amount of the valuation:

During the year under review, there were no settlements made by the Company for any loan / borrowing taken from the Banks or Financial Institutions and hence no comment with regard to

the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

Acknowledgement:

Your Directors take this opportunity to thank the customers, vendors, investors, members and bankers of the Company for their continued support during the year and also place on record their appreciation to the contribution made by the employees of the Company at all levels.

Your Directors also thank the Government of India particularly the Ministry of Electronics and Information Technology, Ministry of Commerce, Ministry of Finance, Ministry of Corporate Affairs, the Reserve Bank of India, respective State Governments and other government agencies for the support and look forward for the continued support from them in the future.

for and on behalf of the Board of Directors

**Place : Haridwar
Date: May 26, 2023**

**Gulu Mirchandani
Chairman and Managing Director
DIN:00026664**

ANNEXURE TO THE DIRECTORS' REPORT

Annexure-A

Disclosure under Section 62 of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI (Share Based Employee Benefits) Regulations, 2014 for the year ended March 31, 2023

The objective of the MIRC- ESOS 2017 is to provide an incentive to attract, retain and reward employees performing services as well as to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this scheme to attract and retain talent in the Company. The Company views employee stock options as instruments that would enable the employees to share the value they create for the Company in the years to come.

The following table sets forth the particulars of the options granted under MIRC- ESOS 2017:

Sr. No.	Particulars	Remarks
1.	Total Number of Options under the plan	Up to 98,11,710
2.	Options Granted (during the year)	Nil
3.	Options Vested (during the year)	Nil
4.	Options exercised (during the year)	Nil
5.	Total number of shares arising as a result of exercise of options	Nil
6.	Options lapsed (during the year)	Nil
7.	The exercise price	The exercise price shall be closing market price of the shares listed on the recognized stock exchanges prior to the Grant Date or as may be determined by the Board. In any event the exercise price shall not be less than the face value of one equity Share of the Company when the options are granted.
8.	Variation of terms of options	None
9.	Money realized by exercise of options	Nil
10.	Total number of options in force (as on end of the year)	Nil
11.	Employee wise details of options granted to:	
	(i) Senior Management (including key managerial personnel)	Nil
	(ii) any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year;	Nil
	(iii) identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	Nil
12.	Diluted Earnings per share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earnings per Share'	N.A.

ANNEXURE TO THE DIRECTORS' REPORT

Sr. No.	Particulars	Remarks
13.	Pro Forma Adjusted Net Income and Earnings Per Share Net Income Add: Intrinsic Value Compensation Cost Less: Fair Value Compensation Cost Adjusted Pro Forma Net Income Earnings Per Share: Basic As Reported Adjusted Pro Forms Earnings Per Share: Diluted As Reported Adjusted Pro Form	N.A.

for and on behalf of the Board of Directors
MIRC Electronics Limited

Date: May 26, 2023
Place: Haridwar

Gulu Mirchandani
Chairman and Managing Director
DIN: 00026664

ANNEXURE TO THE DIRECTORS' REPORT

Annexure-B-I

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER SENIOR MANAGEMENT EMPLOYEES

1. OBJECTIVES:

- (i) The terms of appointment and remuneration of Managing Director ("MD"), Whole Time Director ("WTD"), Key Managerial Personnel ("KMPs") and Senior Management ("SMPs") shall be competitive in order to ensure that the Company can attract and retain competent talent.
- (ii) The remuneration Policy shall ensure that:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors / KMPs and SMPs to run the Company successfully.
 - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - (c) Remuneration to Directors, KMPs and SMPs involves a balance between fixed and variable pay reflecting short and long term performance objectives and goals set by the Company.
 - (d) Remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.
 - (e) The pay structures are appropriately aligned across levels in the Company.

2. APPLICABILITY:

- (i) This Remuneration Policy shall apply to all existing and future appointment agreements with Managing and Whole Time Director, KMPs and SMPs and also with the Non-Executive Directors.
- (ii) The Remuneration Policy shall be subject to overall guidance of the Board of Directors.
- (iii) Any change or amendment in the Companies Act, 2013 ("Act") or the Listing Agreement will prevail over this policy and will be applicable in so far from the date of its notification or date specified therein.

3. DEFINITIONS:

- i) Employees Stock Option mean as defined in section 2 (37) of Companies Act, 2013 as 'the option given to the Directors, officers or employees of a Company or of its holding company or subsidiary company or companies, if any, which gives such Directors, officers or employees, the benefit or right to

purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price'

- ii) Independent Director means a Director other than a Managing Director or a Whole-time Director or a Nominee Director, —

- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- (b) (i) who is or was not a promoter of the Company or its holding, subsidiary or associate Company;
- (ii) who is not related to promoters or Directors in the Company, its holding, subsidiary or associate Company;
- (c) who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) who, neither himself nor any of his relatives—
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company;
 - or

ANNEXURE TO THE DIRECTORS' REPORT

- (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
- (iii) holds together with his relatives two per cent or more of the total voting power of the Company; or
- (iv) is a Chief Executive or Director, by whatever name called, of any non profit organisation that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company; or
- (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;
- (vi) who is less than 21 years of age.
- (f) who possesses such other qualifications as may be prescribed.
- iii) Key Managerial Personnel means and includes:
 - (i) The Chief Executive Officer or the Managing Director or the Manager;
 - (ii) The Company Secretary;
 - (iii) The Whole-time Director; and
 - (iv) The Chief Financial Officer.
- iv) Non-Executive Director shall mean director who is not in full time employment of the Company.
- v) Nomination and Remuneration Committee means Nomination and Remuneration Committee as defined in Section 178 of the Companies Act, 2013 consisting of three or more non Executive Directors out of which not less than a half shall be Independent Director.
- vi) Remuneration means as defined in section 2 (78) of Companies Act, 2013 'Any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.'
- vii) Senior Management means and includes a personnel of the Company who are members of its core Management Team excluding the Board of Directors. This would also include all

members of the management one level below the Executive Directors including all functional heads.

- viii) Whole-Time Director means and includes a director in the whole-time employment of the Company.

2.0 REMUNERATION POLICY:

CRITERIA FOR FIXING THE REMUNERATION TO MD / WTD, NON EXECUTIVE DIRECTOR AND INDEPENDENT DIRECTORS, KMPs & SMPs.

1. Financial position of the Company
2. Remuneration or commission drawn by him from any other company.
3. Professional qualifications and experience of the individual concerned.
4. Industry's pay standards and pay structure data studies undertaken by consultancy firm.
5. Attract and retaining talent and motivation for KMPs/SMPs.
6. Special consideration for attracting top notch hi flier in case of KMPs/SMPs.
7. Past performance, past remuneration and special accreditation or meritorious performance.
8. Bring a balance between the interest of the Company and the stakeholders.

3.0 REMUNERATION TO MANAGING DIRECTOR / WHOLE TIME DIRECTOR:

- (i) Remuneration to the MD and WTD shall be proposed by the Nomination and Remuneration Committee ("NRC") and subsequently approved by the Board of Directors and the Shareholders of the Company/ Central Government, as may be required.
- (ii) Total remuneration for the MD and WTD shall comprise of the following:
 - (a) Salary (both fixed and variable salary based on Performance linked incentive).
 - (b) Perquisites like House Rent Allowance, Leave Travel Allowance, Medical Expenses and Soft Furnishing Allowance, etc.
 - (c) (i) Retirals, contribution to Provident Fund, Superannuation Fund and Gratuity and other funds.

ANNEXURE TO THE DIRECTORS' REPORT

- (ii) Encashment of Leave at end of the tenure.
- (d) Reimbursement or payment of all expenses incurred in connection and business of the Company.
- (e) Other perquisites (as may be recommended by the NRC and approved by the Board).
- (f) The variable salary shall be in form of a Performance Bonus linked to their individual performance and also the performance of the Company and the individual, as per criteria set by the NRC or the Company.
- (g) The total remuneration to MD and WTD shall be in accordance with the provisions of the Companies Act, 2013 and rules as amended from time to time.
- (h) The Company shall enter into contract of service and for remuneration.
- (i) If any Directors draws or receives directly or indirectly by way of remuneration any sums in excess of the limits prescribed by the Act or without prior sanction of the Central Government where it is required, he/she shall refund such sums to the Company and until such sums are refunded held in trust for the Company.

3.1 REMUNERATION TO NON EXECUTIVE DIRECTORS (NED)

a) Non Independent

- i) NEDs shall be entitled to such sitting fees as may be decided by the Board of Directors from time to time for attending the meeting of the Board and of the Committee thereof.
- ii) NEDs shall also be entitled for payment of profit related or commission, as up to the limits prescribed in Section 197 of the Companies Act, 2013 and approved by the Shareholders from time to time.

b) Independent Directors (ID)

- i) an IDs shall not be eligible for any Stock Options and may receive remuneration by way of fee provided under Section 197 of the Companies Act, 2013 reimbursement of expenses for participation in the Board and other meetings and profit related commission as approved by the members.
- ii) The NED and ID shall be paid all traveling, total

and other expenses properly incurred by them on attending and returning from meetings of the Board or any Committee thereof or General Meeting or other connection with business of the Company.

3.2 REMUNERATION TO KEY MANAGERIAL PERSONNEL (KMPs) & SENIOR MANAGERIAL PERSONNEL (SMPs)

- (i) Remuneration packages shall be designed in such manner that:
 - (a) motivates delivery of key business strategies, creates a strong performance – oriented environment and rewards achievement of the Company's objectives and goals over the short and long term.
 - (b) attracts talent and high achievers in a competitive global market and remunerate executives fairly and responsibly.
- (ii) Remuneration shall be competitive and shall include salary comprising of both fixed and variable components, performance incentives and other benefits such as retiral benefits, health care, insurance and hospitalization benefits, telephone reimbursement, etc.
- (iii) Remuneration shall be evaluated annually and annual increase shall be decided considering the performance of the individual / and also of the Company. Industry practices / trends companies, which are similar in size and complexity to the Company. Benchmark information shall be obtained from recognized compensation service consultancies shall also be given due consideration.
- (iv) Remuneration can be reset at any time keeping with the meritious performance or for special work assignment or recognition. Benchmark information shall be obtained from recognized compensation service consultancies and shall also be given due consideration.
- (v) The remuneration to be paid to KMP/SMP shall be recommended by the NRC considering relevant qualification and experience of the individual as well as the prevailing market condition.
- (vi) The NRC may consider to grant Stock Options to KMP and SMPs pursuant to a Stock Option Plan adopted by the Company, if any.

4.0 DIRECTOR AND OFFICERS LIABILITY INSURANCE:

- (i) The Company may introduce and provide an insurance cover to Directors, KMPs and SMPs for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust shall not be treated as a part of remuneration paid to them. Provided that if such person is proved to be guilty the premium paid on such insurance shall be treated as part of remuneration.
- (ii) The premium paid by the Company for such insurance cover, called for Directors and Officers Liability Insurance Policy, taken for the above purpose shall be paid by the Company without any charge to the Directors, KMPs and SMPs.

5.0. DISCLOSURES:

The Company shall disclose the following in the Board's report and the Financial Statements.

- (a) In the Board's Report, such particulars as are prescribed under the Companies Act, 2013 and rules made there under; and
- (b) In the Corporate Governance Report, the particulars as prescribed in Clause 49 of the Listing Agreement as amended from time to time.

6.0. DISSEMINATION:

The Company's Remuneration Policy shall be uploaded on its website.

ANNEXURE TO THE DIRECTORS' REPORT

Annexure-B-II

CRITERIA FOR APPOINTMENT & EVALUATION OF EXECUTIVE DIRECTORS AND INDEPENDENT DIRECTORS

Purpose of this Policy

- a) Board consists of members with the range of skills and qualities to meet its primary responsibility for promoting the success of the Company in a way which ensures that the interests of shareholders and stakeholders. Performance evaluation of Directors annually will help to know the effectiveness of the Board so as to enable the Board to discharge their functions and duties effectively.
- b) To ensure compliance of the applicable provisions of the Companies Act, 2013 and Listing Agreement entered with the Stock Exchanges as amended from time to time.
 - i) As per section 178 of the Companies Act, 2013, it is necessary to have an evaluation of the performance of each director.
 - ii) As per Clause 49(5) of the Listing Agreement as amended from time to time, mandates that there has to be Evaluation criteria for performance evaluation of Independent Directors and shall be done by entire Board.
- c) To adopt the best practices to manage and to give direction to the Company and achieve good Corporate Governance.

Process for reviews

The Nomination and Remuneration Committee shall adopt a Evaluation criteria for performance evaluation of the Directors. The evaluation of performance of director shall be carried by entire Board of Directors excluding the Director being evaluated. The evaluation will be carried at least once a year. The evaluation will be carried out by a Director or any other persons or professional agencies nominated by the Board.

Criteria and Evaluation of Executive Directors, Independent Directors.

I. Executive Directors

Criteria for Appointment

- 1) Executive Directors will be appointed based on the qualifications, experience, skills and expertise on related matters.
- 2) The value addition and the contribution to the Company's vision and growth.

- 3) Favorable Industry reports and corporate standing and integrity and ability to manage and motivate employees.

The following persons shall be not eligible to be appointed as Executive Director if:

- 1) He/She is disqualified to act as a Director under the provisions of Section 164(1) and other applicable provisions, if any, of the Companies Act 2013. If the disqualification is subsequently removed, then the said person shall be eligible to be appointed as Executive Director.
- 2) He/She does not satisfy to requirements as prescribed in Part I of Schedule V of the Companies Act, 2013. But the person who does not meet the criteria prescribed in Part I of Schedule V to the Companies Act, 2013 can be appointed as Executive Director if the approval of Central Government is taken.

Evaluation

An annual appraisal/ evaluation of Executive Directors namely Managing Director and Whole Time Director shall be carried out by all the other Directors of the Company. The Company shall consider appropriate industry benchmarks and standards. The annual evaluation shall be carried out in the form of questionnaire as mentioned herein below, to be circulated among other Directors except the Executive Director being evaluated.

II Independent Directors

Criteria For Appointment

1. The Committee shall consider the following factors while appointing a person as an Independent Director on the Board:
 1. Integrity and relevant expertise and experience.
 2. Requisite qualification so that he/she will exercise his/her role effectively.
 3. Have an expert knowledge in field of the Company where the Company operates and shall provide his/her suggestions to the Board members of the Company to arrive at final decision which is in the best interest of the Company.

ANNEXURE TO THE DIRECTORS' REPORT

4. Not be a promoter or related to promoter of the Company or its holding, subsidiary or associate company;
 5. Must not have any material pecuniary relationship during the two immediately preceding financial years or during the current financial year with the Company, its holding, subsidiary or associate company or their promoters or directors.
 6. The relatives of such person should not have had any pecuniary relationship or transaction with the Company or its subsidiaries or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or ₹ 50 lacs or such higher amount as may be prescribed, whichever is less, during the two immediately preceding financial years or in the current financial year;
 7. He or his relatives must not:
 - (i) hold or has held the position of a Key Managerial Personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed.
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the Company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds 2% or more of the total voting power of the Company; or
 - (v) is not a material supplier, service provider or customer or a lessor or lessee of the Company; or
 - (vi) is not less than 21 years of age.
 8. Such person who is proposed to be appointed as Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
 9. Other important factors to be considered while appointment of Independent Directors are as follows:
 1. He/She understands the financial statements like balance sheet, Statement of Profit and Loss and Cash flows.
 2. He/She shall not be disqualified under Section 164, sub-section (1) and (2) of the Companies Act, 2013.
 3. He/She shall give his/her declaration as provided in Section 149(7) of the Companies Act, 2013.
- Evaluation**
- An annual performance evaluation of an Independent Director shall be carried out by all other Directors at the end of the financial year in the form of questionnaire.
- III Non Executive and Non Independent Directors.**
- Evaluation**
- An annual performance evaluation of an Non Executive Non Independent Director shall be carried out by all other Directors at the end of the financial year in the form of questionnaire.
- IV Board of Directors.**
- Evaluation**
- Evaluation of Board of Directors shall be carried out in the form of questionnaire.
- Separate meetings of the Independent DirectorS**
- The independent directors of the Company shall hold at least one meeting in a year:

The independent directors in the meeting shall, inter-alia:

1. review the performance of non-independent directors and the Board as a whole;
2. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
3. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programme for the Independent Director

The Company shall familiarize the Independent Directors with their roles, responsibilities, rights, nature of the business in which the Company operates, etc. through various programmes. The details of such familiarization programmes shall be disclosed on the website of the Company and a web link thereto shall also be given in the Annual Report.

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-C

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

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

(For the Financial Year Ended March 31, 2023)

To,
The Members,
MIRC ELECTRONICS LIMITED

Onida House,
G-1, MIDC Mahakali Caves Road,
Andheri (East), Mumbai- 400093.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MIRC ELECTRONICS LIMITED (CIN: L32300MH1981PLC023637)** (hereinafter called the "Company") for the financial year ended March 31, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon;

Based on our Verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering 1st April, 2022 to 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period 1st April, 2022 to 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued any debt securities during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not Registrar to an Issue and Share Transfer Agent during the financial year)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable as the Company has not delisted its equity shares from any stock exchange during the Audit Period)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable as the Company has not bought back any of its securities during the Audit Period)**

ANNEXURE TO THE DIRECTORS' REPORT

(i) Securities and Exchange Board of India (Depositories & Participants) Regulation, 2018 (To the extend applicable)

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We have also examined compliance with the applicable provisions and clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation, 2015 "SEBI (LODR)".

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, except the following:

- As per Regulation 23(9) The Company has made disclosure of related party transactions on consolidated basis For the half year ended March, 2022 with little delay.

We further report that

- The Board of Directors of the Company is duly constituted and the changes in the composition of the Board of Directors that took place during the period under review were carried out in the compliance with the provision of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were with requisite majority.

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

The Compliance by the company of applicable Financial Laws like Direct & Indirect Tax Laws, Goods and Service Tax has not

been reviewed in the audit since the same has been subject to the review by the statutory financial audit and other designated professionals.

We further report that during the audit period, the company had no specific events or actions which might have a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. Mr. Deepak Sarawagi, Interim - Chief Financial Officer of the Company, resigned with effect from 25th May, 2022.
2. Mr. Sailesh Raj Kedawat was appointed as Chief Financial Officer of the Company with effect from 26th May, 2022.
3. Mr. Gulu Mirchandani, (DIN: 00026664) was re-appointed as a Chairman and Managing Director of the Company for a period of 3 years at the Annual General Meeting held on 22nd August, 2022.
4. Mr. Kaval Mirchandani, (DIN: 01179978) was re-appointed as a Whole Time Director of the Company for a period of 3 years at the Annual General Meeting held on 22nd August, 2022.
5. Mr. Lokesh Sikka, (DIN: 08665841), was re-appointed as a Whole Time Director of the Company for a period of 3 years at the Annual General Meeting held on 22nd August, 2022.
6. Mr. Sailesh Raj Kedawat, Chief Financial Officer of the Company, resigned with effect from 09th September, 2022.
7. Mr. G. Sundar, Chief Executive Officer of the Company, retired with effect from 30th September, 2022.
8. Mr. Shirish Suvagia was appointed as Chief Financial Officer of the Company with effect from 11th November, 2022.

FOR RAGINI CHOKSHI & CO.

**RAGINI CHOKSHI
(PARTNER)**

Membership No: 2390

CP No: 1436

UDIN: F002390E000388875

PR REVIEW NO: 659/2020

Date: 26.05.2023

Place: Mumbai

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

ANNEXURE TO THE DIRECTORS' REPORT

Annexure "A"

**To
The Members,
MIRC ELECTRONICS LIMITED**

Onida House,
G-1, MIDC, Mahakali Caves Road,
Andheri (East), Mumbai: -400 093

Our Secretarial Audit Report for the Financial Year ended on March 31, 2023 of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we follow provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For Ragini Chokshi & Co.
(Company Secretaries)**

**Ragini Chokshi(Partner)
C. P. No. 1436
FCS No. 2390**

**PR No: 659/2020
UDIN: F002390E000388875**

Date: 26.05.2023

Place: Mumbai

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-D

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

[PURSUANT TO SECTION 197 SUB-SECTION 12 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

The ratio of the remuneration of each director to the median employees' remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirements	Disclosure		
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year.	A	Mr. Gulu L. Mirchandani Chairman and Managing Director	17:1
		B	Mr. Vijay J. Mansukhani Managing Director	22:1
		C	Mr. Kaval G. Mirchandani Whole Time Director	7:1
		D	Mr. Lokesh Sikka Whole Time Director	10:1
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	A	Mr. Gulu L. Mirchandani Chairman and Managing Director	No Increase
		B	Mr. Vijay J. Mansukhani Managing Director	No Increase
		C	Mr. Kaval G. Mirchandani Whole Time Director	No Increase
		D	Mr. Lokesh Sikka Whole Time Director	10%
		E	Mr. G. Sundar Chief Executive Officer (up to 30.09.2022)	10%
		F	Mr. Deepak Sarawagi Interim - Chief Financial Officer (up to 25.05.2022)	10%
		G	Mr. Sailesh Kedawat Chief Financial Officer (up to 09.09.2022)	No Increase
		H	Mr. Prasad Oak Head – Legal, Corporate Affairs and Company Secretary	No Increase
		I	Mr. Shirish Suvagia Chief Financial Officer (Appointed w.e.f. 11.11.2022)	No Increase
3	The percentage increase in the median remuneration of employees in the financial year.	The median remuneration of the employees in the financial year was increased by 16%. (Due to Annual Appraisal)		
4	The number of permanent employees on the rolls of the Company.	536 employees as on 31 st March, 2023.		
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There has been an average increase in the remuneration of both, the managerial personnel and the other employees of the Company during the financial year of around 7.86% (Due to Annual Appraisal)		
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, it is confirmed.		

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-E

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

[PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014]

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, for the year ended March 31, 2023 is given here below and forms part of Directors Report.

A. CONSERVATION OF ENERGY:-**i) Steps taken on conservation of energy and for utilising alternate sources of energy:**

Your Company is conscious about its responsibility to conserve energy, power and other natural resources wherever possible. It lays great emphasis towards a safe and clean environment and continues to adhere to all regulatory requirements and guidelines. Your Company strives to ensure environment friendly initiatives when implementing various projects on energy saving at its units. List of proposals and initiatives taken in this regard are as under:

a) For plant situated at Wada, Maharashtra: -

- wada plant have change Contract Demand on 28 Mar 2022 from 1400 KVA to 1200 KVA implemented on line changing as per the plant requirement . It had resulted in saving of ₹ 5.08 for FY 22-23.
- All New tube Lights Replacements With New LED Tube Lights.
- Mercury Lamp 250W replaced by 05 nos of 50W LED lights. Saving of ₹ 19,200/- for FY 22-23 in dispatch area other store areas.
- Replcement of 250W sodium vapour lamps with 80W LED flood lights of 3 nos. Saving of ₹ 9,792/- for FY 22-23.
- Energy efficiency improvement of centralized AC systems by descaling of condenser units leading to energy efficiency improvements.
- Energy Audit of Wada Plant Done and some potential Saving Identified in ₹ 8.30 Lac for Phase I.
- Solar Roof Top Expansion Perposal Initiated for 420 KWp for Phase II.

b) For plant situated at Roorkee, Uttarakhand:-

- Plant floor ceiling light has been replaced from 56W tube light to 24W LED Tube light conserving 32W per tube light. At present 250 Nos Tube light replaced with LED light and another 100 Nos replacement is in process.
- For gardening, the Company has made water storage tank for regular water supply, hence no need to run Submersible Pump frequently, resulting saving of energy.
- The Company is planning to install Heating Jacket in Injection Moulding Machine heating barrel to prevent heat desperation to save Energy.
- Auto stop Preset Timer provision in Motor Control Circuit to Stop the motor in No load condition in Injection Moulding Machine to save energy.
- Disconnected 20 sets of Tube light which are not required and balance 10 tube light are replaced with LED light.
- Disconnected 10 halogen light in top Floor store and fitted only 2 led light, one at Entrance and one at Exit, working as Search Light and using whenever required only which is beneficial for safety and reduction of power consumption.
- Replaced Tube light with LED light at Moulding Quality Inspection Machine Operator table for better Visibility and reduction of power consumption.
- Replaced 5 Nos Factory boundary Wall light from Mercury Light (125W) to LED Light (40W).
- New proposals are in process for solar roof top and for optimization of contract demand.
- Installed/Cabling & Service 40 KVA D.G. set received from Noida plant . Which is to be used for office & factory boundary light during power failure , Because we are using bigger DG during power fail for emergency and for office operation

ANNEXURE TO THE DIRECTORS' REPORT

in production off day. We can reduce diesel consumption approx 95% (Bigger DG 500 KVA consumption @ 80 to 90 ltr's per hour and 40KVA DG consumption @ 3 to 6 ltr's per hour's)

- Plant floor ceiling lights 100 numbers have been replaced from 56W tube light to 24W LED Tube light conserving 32W per tube light in the year 2022.
- Replaced 07 Nos Factory boundary Wall light from Mercury Light (250W) to LED Light (120W).We have conserved 130W per Wall boundary light, amounting to 780W.

ii) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

The Company with 'zero investment' initiative has taken to rearrange the workplace arrangement to reduce Air-conditioner & lighting consumption. Various shop floor improvements in energy waste elimination, awareness and regular checks resulted in energy savings. 100% process water treated and reused. The lush green garden is well maintained with 100% use of domestic treated water reuse.

Boilers are well maintained with efficiency of 85% and above with recovery of solar heat and condensate water heat for feed water.

Proposals are taken for wada plant energy audit and expansion for solar roof top.

MIRC is taking initiatives for green energy in reducing the usage of fossil fuels.

iii) Impact of the above measures as stated under (i) and (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- The Company's initiative to maintain unity power factor, use of LED lights in few locations as an initiative to green energy and installation of boiler furnace oil savings by using in house developed Heat Exchanger and Solar System for feed water resulted in increase in the Steam/Furnace oil ratio and resulted in saving.
- The production team under the able guidance of expert engineers from the research and development centre of the Company continuously

monitor and devise various means to conserve energy and identify methods for the optimum use of energy without affecting productivity. This is ensured through the adoption of the latest techniques of production which helps in better productivity levels, timely maintenance and upgradation of machines and equipments to ensure that energy consumption is at the minimal level possible. Further on-the-job training to production team members is also given in order to conserve energy.

iv) Capital investment on energy conservation equipment:

There were no capital investments made by the Company on energy conservation equipment during financial year 2022-2023.

B. TECHNOLOGY ABSORPTION:-

i. The efforts made towards technology absorption:

The Company believes in offering world class technological products to its valued customers. With this objective, the Research and Development personnel of the Company periodically visit foreign exhibitions and trade shows to understand the latest technology used in electronic products. Besides the Research and Development team also works closely with world class technology developers to understand their technology. Efforts are also made by the team to bring in immaculate features in the products which are consumer-centric. The Research and Development constantly works to develop uniquely designed models with User friendly features implementing latest technology.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

The efforts made by the Company towards technology absorption have resulted in the introduction of innovative energy efficient products at competitive costs, which are likely to enlarge the market share of the Company in future. The Company's focus has been to develop state-of-the-art products and be a leader in new technological areas.

The specific areas in which Research and Development was carried out by the Company, benefitted in product improvement, cost reduction and product development.

Flat panel TVs:

The Company has introduced number of new LED TV models in HD / FHD / UHD segment.

ANNEXURE TO THE DIRECTORS' REPORT

Your Company is the first in the country to introduce "Onida Fire TV" based 4K UHD TVs in 43/50/55 segment, based on the Fire TV Operating System. THE 4K UHD TVs support DOLBY VISION & DOLBY ATMOS. Company has also introduced third generation HD/FHD Fire TVs. The Third generation of Fire TV is with more RAM memory and integrated IR blaster in Remote control. These TV support AI based on Alexa using Voice controlled remote. You will be happy to know these Onida Fire TV are the highest rated TV on the Amazon India website. Going with your Company tradition of better sound, additional range of Fire TV's were introduced with External speaker enclosure enhancing the complete TV experience with good sound quality.

4K UHD FIRE TV is launched with external theatre sound box which enhances the sound to next level by using dual coil woofer and dome tweeters.

We will also be starting BEE certification for UHD TVs.

You will be happy to know all our TV meet the national standards like set by Bureau of Indian Standards (BIS) and Bureau of Energy Efficiency (BEE).

Air Conditioner:

The complete range of Air conditioner products (1.0T /1.5T /2.0T , and 3//5 Energy star), as per the new BEE Energy labelling scheme (July'2022) was developed and manufactured in India (Make in India), with Environment friendly R32 Refrigerant.

The following new consumer relevant features, integrated in to new product launches to enhance technology superiority

- Flexi 5 – 5 Modes of cooling capacity to provide the required comfort, combined with energy savings
- Heavy Duty – Designed for Super tropical conditions, to provide required cooling even at 58 deg C and 100% Rated cooling capacity even @ 43 deg C
- Eco Mode – This Energy Saving Performance feature is cost-effective while running the unit and still providing a pleasant and refreshing experience
- I Feel (Temp sensor in remote) - Senses temperature around the remote and delivers the most comfortable temperature around you (remote) as per your need, giving a comfortable cooling experience
- Anti Viral Silver Filter - Activated charcoal treated with AgNPs, protects from Fungus, Mold and Bacteria , to ensure your space is clean and hygiene.

- Active Carbon Filter -This is a Multi-Layered filter which improves indoor air quality and absorbs ammonia and other bad odours.

Refrigerator:

The complete Refrigerator product portfolio is developed as per the New BEE Labelling scheme, which was implemented from Jan'2023 .

Total 6 Models are developed with Capacities 92L, 180L, 190L, 195L and 215L with 1 & 2 star energy rating.

Air cooler :

Aircooler product portfolio was revamped from 2 models to 7 models . This was done to plug product gaps, like personal cooler (22//35L) , small desert cooler (52L). and Models with New Aesthetic (85L & 90L)

iii. Information regarding imported technology (Imported during last three years):

The Company has not imported any technology. However, the management of the Company believes that information technology can be extensively used in all spheres of its activities to improve productivity and efficiency levels. The Company has already implemented SAP, a customized ERP module, at all its branches and manufacturing facilities.

iv. Expenditure on research and development:

(Amount in ₹ lakhs)

Particulars of expenditures		Financial year 2022-2023	Financial year 2021-2022
A	Capital	0	0
B	Recurring	319.65	313.67
C	Total	319.65	313.67
D	* Total Expenditure as a % of total Turnover	0.29	0.26

* On the basis of net turnover.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as follows.

(Amount in ₹ lakhs)

Particulars		Financial year 2022-2023	Financial year 2021-2022
A	Foreign exchange earnings	44.07	5.67
B	Foreign exchange outgo	416.58	243.31

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

The management of the Company is pleased to present this Management Discussion and Analysis Report in compliance with Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Major economies around the world have shown signs of economic slowdown, and in the past, Despite uncertainty in western economies, India is projected to have a real growth rate of 6-6.8% in FY24 as per the Indian Economic Survey 2022-23. Learning from the bitter consequences of large non-performing assets and limited capital base in the past has helped Indian banks to currently be better placed to withstand stress. Strict monitoring by the regulators, healthy asset quality, and reasonable capital levels have made Indian banks far more resilient to economic downturns compared to their US counterparts.

The India consumer electronics market size is expected to reach USD 124.94 billion by 2030. This sector plays a crucial role in the Indian economy as it is expected to fuel India's US\$ 5 Trillion economy growth. There is a huge scope of untapped rural markets for the new industry players who are trying to set their foot in the industry. This gives immense opportunities for the existing and new players to tap into this untapped market to increase sales in India.

The consumer durables market is undergoing a significant transformation, with more and more consumers investing in their homes and seeking innovative and time-saving solutions. The pandemic has altered consumer behavior, with people becoming more house-proud and investing more in their homes and appliances. While there are immense opportunities for the consumer durables markets, there are some inherent challenges that the industry faces, which needs to be addressed, in order to ensure the uninterrupted growth of the sector. Chinese manufacturers create strong competition for Indian manufacturers, the cost of production is significantly lower in China as compared to India. Changing efficient manufacturing norms also requires significant investments to be made in the sectors. Raw materials needed to manufacture goods also are largely procured from China, making them less cost-effective. However, Government of India is also taking leaps and strides to support the growth of the sector, with PLI schemes being announced for IT hardware. Companies which have been selected for being a part of the PLI schemes are expected to fuel total production of US\$ 21.64 billion. The Government has also announced

100% FDI for electronics hardware manufacturing in India.

With China plus One strategy being implemented by leading global economies, the opportunities for India are strong. Geographically as well, India presents an attractive opportunity to the manufacturers, as companies pivot towards India. India has immense potential to emerge as the future of manufacturing hub for consumer durables not just for our own country, but also for the overall globe.

The Indian markets have shown sustained growth over the long term and coupled with favorable consumer demographics and infrastructure growth in rural India.

The four main area of consumer appliance served by the Company are:

LED TVs:

Onida launched Version 3 of the Fire TV Series with a variety of additional features after the success of its 2 predecessors which is currently selling on amazon and offline stores. Furthermore, the fire TV was launched in multiple variants covering almost all the TV segment sizes right from 32 to 55. Version 3 of the TVs came with a bezel less design and also for the first time saw HDR10 which is generally not present in smaller screen sizes like 32 and 43. Another interesting feature that Onida added is the Dual Functionality Voice Remote which is a unique feature where you can control both your TV as well as your set top box via one remote. The upgraded Fire OS also gives access to 12000 plus apps from the Fire Store with personalization of up to 6 profiles. The 4K models also came with Dolby Atmos Dolby Vision to give you a powerful viewing experience. Moreover to satiate the Indian customers thirst for outstanding sound, Onida introduced it's Fire TV - Theatre Models which come with an additional sound bar that produces 10x times more bombastic sound.

Onida is known for delivering what the customers need and keeping the demand of Indians in mind, this year Onida will also be launching its next generation of Google and Android TVs. Onida's android TV will come in 32 and 43 for online and the offline models will feature the KY Rock Speakers which is a great addition. Onida will also be launching their Google 4K TVs in both online and offline markets in 43, 50, 55, 65 and 75. Keeping in mind the demand for larger screen size, Onida extended it's model line-up and introduced a 75 inch TV too.

AIR CONDITIONERS:

Onida introduces Heavy Duty Air Conditioners with the Power of 2 in 1. Powerful Cooling. High Efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS

Indian customers want an Air Conditioner that provides strong cooling but at the same time does not increase the electricity bill. Keeping this insight in mind we came up with an Air conditioner that provides the best of both the Worlds to the Indian customer. Powerful Cooling and High Efficiency.

Onida launched its 2023 range with the Power of 2 in 1 giving you Powerful Cooling and High Efficiency. It introduced the BLDC technology that helps in less power consumption, powerful air flow and low maintenance. Onida introduced a series of excellent features like, Tri-filter purification which protects the air from air borne particles. Remote Sensor Technology which senses temperature around the remote and delivers the most comfortable temperature as per your need giving you a comfort cooling experience. Long piping flexibility of upto 25 metres, giving you the liberty to set up your indoor and outdoor unit as per your needs. It also provided a larger IDU and ODU to give the customers the ultimate cooling experience.

These features added to the overall performance of the AC in addition to it's existing features like Flexi – 5 which helps the customers control the cooling capacity as per their needs in real time. Keeping the durability in check, Onida's ACs come with Hydrophilic blue fin technology which prevents the accumulation of water on the surfaces of the fins.

In one of the Models, Onida also introduced Dual Drainage Flexibility which helps you decide which side of the indoor unit you will need an outlet based on your home setting and placement of the Air Conditioner without carrying out major civil changes.

WASHING MACHINES:

Powerful wash experts for all your washing needs.

One of the most widespread technologies in this century happens to be the washing machine. In today's world, it is hard to come across a home without a washing machine. This appliance is solely responsible for giving people across the country a significant amount of freedom as it deals with the responsibility to wash laundry. This is where Onida came in and has designed washing machines over the years to meet the needs of Indian Consumers. Not only did Onida widen their range in the past year but also introduced a range of sleek and stylish High End Semi- Automatic Washing Machines to complement its range of Top Load Fully automatic machines. Onida already has a wide range of 5 star Top loading washing machines in 6.2, 6.5, 7, & 8 kg capacities selling both online and offline giving the consumer effective and efficient wash program options.

Keeping in mind the Indian customers' need for larger machines especially by large families, Onida this year introduced 11kg and 12kg Semi-Automatic Washing Machines which gives you a jumbo wash and can wash upto 30 clothes in one cycle. Onida also launched designer high end glass models with pleasing designs you give you an option of a premium machine bundle with a powerful motor, super drum wash with dual waterfall technology. This year Onida is focusing on Washing Machines with a powerful performance as Onida is known for their powerful and thorough wash performance and hence are the powerful wash experts and will be focusing on this communication more. Onida's Washing Machine category will also be launching a few unique models in the coming months, one of which includes an 8 Kg Fully Automatic Top Load Washing Machine with an In-built Heater and Sensomatic Wash Technology.

Air Cooler:

In India, there are around 250-260 million households out of which a significant percentage of the population uses fans and Air coolers during summers. Depending upon the cooling requirement and availability of space. Air coolers such as Personal coolers & Desert coolers are available in the retail market. Air cooling systems are widely accepted since they are cost effective and consume less power to function. This is where Onida came in and understood the need of Air coolers which are suitable for regions with dry climates and can be used in all residential and commercial spaces with fresh air flow and ample ventilation.

The Indian Air Coolers Market was valued at USD339.64 million in 2022 and is expected to grow at a CAGR of 9.04% in the forecast period, 2023-2028, to reach USD1625.52 million by 2028F The market is driven by the factors such as the rise in the disposable income of middle-class families and the ongoing process of rural electrification across the country. Also, the emergence of online sales channels and the continuous evolution in technology are expected to create lucrative growth opportunities for the Indian Air Coolers Market in the forecast period.

Onida, this year launched 5 new models in the personal cooler space and desert cooler space with different variants and litres. Moreover, the need of the hour in India's Hot Summers is efficient cooling and we made sure that the Air Coolers is efficient cooling and we made sure that the Air Coolers are packed with a powerful cooling experience with long air throw. The Air coolers also have a host of added features like Honey Comb Cooling Pads for a cooler moisturized air, Water Level Indicator and Turbo Fan Technology for air throw upto

MANAGEMENT DISCUSSION AND ANALYSIS

45 feet from a 90 litre Cooler. The Air Coolers are available both in offline markets as well as on all online platforms.

2. OPPORTUNITIES AND THREATS

Opportunities

- (a) India is expected to be one the largest consumer durable market by 2025.
- (b) Demand for electronic goods is expected to grow on the onset of rising incomes in urban and rural areas, increasing urbanization, changing lifestyles, young aspirational population, nuclear families etc.
- (c) Huge scope of untapped rural markets gives immense opportunities for the existing players to capture market to increase sales in India.

Threats

- (a) Rapid changes in technology.
- (b) Manifold increase in competition from International players.
- (c) Fall of the Indian rupee against the dollar is creating problems for the consumer durables industry as it increases the cost of product.
- (d) An increase in the customs duty for any of the raw materials will also increase the cost of production effecting the overall electronics industry.

3. RISKS & CONCERNS

- (a) The Management Team periodically reviews the major risks and concerns which could impact the business and accordingly formulate the mitigation plans.
- (b) Slowdown in the Indian economy could adversely impact disposable income resulting in low consumer sentiment.

4. PRODUCT-WISE PERFORMANCE DURING THE FINANCIAL YEAR 2022-23

- (a) **Washing Machine:** This segment has witnessed a growth of 23 percent.
- (b) **Air Conditioner:** This segment has witnessed a growth of 19 percent.
- (c) **LED/Panel:** This segment has witnessed a growth of 9 percent.

5. OUTLOOK

Consumer goods companies have always faced the challenge

of staying ahead of disruptive forces. The pandemic intensified this challenge. Due to which, the changes in demand is apparent from two groups of people: those affected by the pandemic financially and those whose habits changed due to physical distancing and other pandemic control measures.

These changes in consumer behaviour have an impact on the consumer goods industry in three ways: encouraged greater savings, increased consumption at home and reduced spending on discretionary expenses.

While many consumer behaviour shifts are almost certain to be temporary, there are strong indicators that there will be some permanent changes to consumer behaviour. Possible changes might include a shift to brand value away from private-label, budget and generic products, and a general tendency to consume more at home.

We expect brands to become even more important in the consumer goods sector than they have been in the past as companies differentiate themselves in a market increasingly reliant on online sales and marketing and distribution direct to consumers. Companies with already established brands with loyal followings are at an advantage. More innovative companies that are more attuned to understand consumer preferences are also more likely to take advantage of multi-distribution channels to connect with their customers

We at Onida are well placed to manufacture home products in India to provide the customers with innovate products through our well established multi-distribution channels. We remain positive supported by Production Linked Incentive (PLI) scheme, a stable tax policy, and low-interest rates, growing working population, higher disposable income, easier access to credit and improving standard of living.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established a matured internal audit process for the Company as a whole covering the corporate office and the branches all over India. Agenda for the audit/scope is finalized and approved by the Audit Committee. The audit is carried out by reputed audit firms across head office, plant and branches. The internal audit department of the Company coordinates with the internal auditors and auditees and ensures proper follow up for closure of audit concerns.

The Company has standardized SOPs in place in form of various manuals, policies and procedures for all critical and important activities as recommended by the management. Audit finding are placed in the audit committee and directions of the committee are followed to improve internal control and avoid recurrence of events.

MANAGEMENT DISCUSSION AND ANALYSIS

There is an evolved risk management strategy with standard operating procedures placed before and approved by the Board of Directors of the Company and are legitimately followed by the Company for the reporting and compliance purposes.

There are certain policies adopted by the Company for maintaining internal control within the organization, which are as follows: -

a) Risk Management Policy

This policy sets out Company's risk, oversee's management of material business risks and internal control. The purpose of this policy is to encourage an appropriate level of risk tolerance throughout the Company; establish procedures to analyze risks within agreed parameters across the Company; establish appropriate risk delegations and corresponding risk management framework across the Company and ensure the Company has a risk management framework that can noticeably respond the risk profile of the Company.

b) Whistle Blower Policy

This policy is formulated to provide opportunity to all employees to have access to the Management or the Chairman of the Audit Committee, in case they observe any unethical and improper practice or behaviour or wrongful conduct in the Company and to prohibit any person from taking adverse personal action against such employee.

c) Policy on Related Party Transactions

This policy is framed to ensure compliance of the applicable provisions of the Companies Act, 2013 and the rules made thereunder and SEBI (LODR) Regulation, 2015 as amended from time to time and intended to ensure the proper approval and reporting of transactions between the Company and related parties. Such transactions are appropriate only if they are in the best interest of the Company and the shareholders.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Following are the financial highlights of the Company for the year ended March 31, 2023 on comparable basis: -

a. INCOME

The total income for the year ended March 31, 2023

was ₹ 1112.67 crores as compared to ₹ 1197.51 crores in the previous year, a decrease of 7.08 %.

b. COST OF SALES

The cost of sales for the year ended March 31, 2023 was ₹ 959.68 crores as compared to ₹1043.58 crores in the previous year. This cost was 86.44 % of the Revenue from operations in the current year as compared to 87.54 % in the previous year.

c. EMPLOYEE REMUNERATION AND BENEFITS

Employee cost for the year at ₹ 66.04 crores increased by 18.79 % as compared to ₹ 60.68 crores in the previous year. The employee cost was 5.94 % of the total Income in the current year as compared to 5.07 % in the previous year.

d. OPERATING AND GENERAL EXPENSES

Operating and general expenses in current year decreased to ₹79.48 crores from ₹ 74.35 crores in the previous year. As a percentage of total Income, the operating and general expenses for the year were at 7.14 % as compared to 6.21% in the previous year.

e. FINANCIAL EXPENSES

Financial expenses for the year was at ₹ 10.90 crores as compared to ₹ 14.08 crores in the previous year. The financial cost for the year is 0.98% of the total Income as compared to 1.18 % in the previous year.

f. DEPRECIATION

Depreciation charge for the year increased to ₹ 9.04 crores as compared to ₹ 7.77 crores in the previous year.

g. PROFIT/LOSS BEFORE TAX AND EXCEPTIONAL ITEMS

Loss before tax and exceptional items for FY 2022-23 is ₹ 12.47 Crores as compared to ₹ 2.96 Crores in FY 2021-22. Loss before tax and exceptional items was 1.12 % of the total Income as compared to 0.25% in the previous year.

h. EXECPTIONAL ITEMS

Exceptional loss for the year was Rs. Nil

i. PROFIT/LOSS BEFORE TAX AND AFTER EXCEPTIONAL ITEMS

Loss before tax and after exceptional items for FY 2022-23 is ₹12.47 Cr. as compared to a loss of

MANAGEMENT DISCUSSION AND ANALYSIS

₹ 20.07 Cr. in FY 2021-22. Loss before tax and after exceptional items was 1.12% of the total Income in the current year as compared to a loss of 1.68% in the previous years.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company takes pride in the commitment, competence and dedication exhibited by its employees in all business areas.

The Company continually strives to strengthen its people in alignment with the business needs and continue to engage them through various ingenuities in the realm of learning & development opportunities, employee engagement activities and career growth. The redesign in organization structure created a clear focus and perspective on branded business and new emerging businesses. Teams collaborated at various levels to meet the overall business objective.

Under Onida Learning Academy – the learning & development cell, various skill based, behavioural and technical training programs were conducted to prepare and upgrade them for current and future roles in the organization. This covered trainings for sales field team, in-shop demonstrators, service engineers, corporate and factory employees. The Company facilitated Digital HR initiatives to enrich employee experience; various processes were driven digitally through the in-house portal.

The Company continued to maintain cordial relations at factory level. The overall compliance framework was further strengthened by detailed assessment of all compliance activities at respective factories.

The Company also connected with the extended family, that is the employee's family members by sending a surprise token to felicitate and celebrate employee's promotion. Various outbound programs for leadership group were also organized to foster a spirit of engagement and team building.

The HR function will be working closely with management and business leaders in making the company an employer of choice, building a strong talent pipeline and preparing internal key talent to be future leaders of the organization.

Your Company has 536 employees on its payroll as on March 31, 2023.

9. MATERIAL FINANCIAL & COMMERCIAL TRANSACTIONS INVOLVING SENIOR MANAGEMENT

The Company has in place a Code of Corporate Governance which stipulates that senior management personnel shall make disclosures to the Board of Directors of the Company regarding any material financial and/or commercial transactions in which they are interested which may have a potential conflict with the interest of the Company.

Cautionary Statement

The statements made in this report describing the Company's projections, expectations and estimations may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectation of future events. The actual results may differ from those expressed or implied in this report due to the influence of external and internal factors beyond the control of the Company.

The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events. Readers are cautioned not to place undue reliance on the forward looking statements.

For and on behalf of the Board of Directors

**Place : Haridwar
Date: 26th May, 2023**

**Gulu Mirchandani
Chairman and Managing Director
(DIN: 00026664)**

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report, as applicable for the year ended March 31, 2023 is set out below for the information of shareholders, investors and other stakeholders of MIRC Electronics Limited (hereinafter referred to as the “Company”).

I. Company's philosophy on code of Corporate Governance

The Company's philosophy on the corporate governance is based on the following principles:

- Integrity & ethics in all our dealings.
- Have a simple and transparent corporate structure driven solely by business needs.
- Be transparent with a high degree of disclosure & adequate control system.
- Make a clear distinction between personal conveniences and corporate resources.

The Company is committed to achieve and maintain the highest standard of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall stakeholders' value on a sustained basis.

II. Board of Directors

A] Composition

The Board of Directors of the Company has an optimum combination of executive and non-executive directors with one woman director and not less than 50% (Fifty Percent) of the Board comprising of non-executive directors. As at March 31, 2023, the Board of Directors of the Company comprises of eight directors, out of which three directors are Promoters cum Executive Directors, one Non-Promoter Executive Director and four are Non-Executive Independent Directors. The Chairman is a Promoter and Executive Director.

During the financial year 2022-2023, 5 (Five) meetings of the Board of Directors were held. These 5 (Five) meetings were held on May 25, 2022, July 27, 2022, August 05, 2022, November 11, 2022 and February 09, 2023. The maximum time gap between any two board meetings was less than 120 days. The constitution of the Board of Directors of the Company, the details of meetings attended by the Directors of the Company and the information with regard to their membership of Committees are as under:

Name	Category	Attendance Particulars			No. of Directorships and Committee Chairmanship / Membership (including the Company)				
		Number of Board Meetings		Last AGM	Directorship	Chairmanship in Listed companies	Directorship in Listed companies	Committee Chairmanship	Committee Membership
		Held during tenure	Attended						
Mr. Gulu Mirchandani	Promoter [CMD]	5	5	Yes	4	1	2	0	1
Mr. Vijay Mansukhani	Promoter [MD]	5	5	Yes	2	0	1	0	1
Mr. Kaval Mirchandani	Promoter [WTD]	5	5	Yes	4	0	1	0	1
Mr. Rafique Malik	I & NED*	5	4 #	Yes	3	1	3	1	4
Mr. Carlton Pereira	I & NED*	5	5	Yes	3	0	2	3	5
Mr. Arvind Sharma	I & NED*	5	5	No	1	0	1	0	1
Mr. Lokesh Sikka	Non Promoter [WTD]	5	5	Yes	1	0	1	0	0
Ms. Mohita Arora	I & NED*	5	5	No	1	0	1	0	1

* Independent & Non-Executive Director;

Leave of Absence was granted for the Board Meeting held on May 25, 2022;

CORPORATE GOVERNANCE REPORT

Notes:

1. As detailed above, none of the Directors is a member of more than 10 Board level Committees of Public Companies in which they are Directors or as Chairman of more than five such committees;
2. Only directorship in public limited companies (listed or unlisted) has been considered;
3. Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee of public companies have been considered.

Dates on which Board Meetings were held	Total Strength of the Board	No. of Directors Present
May 25, 2022	8	7
July 27, 2022	8	8
August 05, 2022	8	8
November 11, 2022	8	8
February 09, 2023	8	8

B] Present Directorship in other Listed Companies (including the Company)

Sr. No.	Name of Director	Directorships (Name of Listed Companies)	Category of Directorship
1.	Mr. Gulu Mirchandani	a. Mirc Electronics Limited	Chairman & Managing Director
		b. KEC International Limited	Independent Director
2.	Mr. Vijay Mansukhani	Mirc Electronics Limited	Managing Director
3.	Mr. Kaval Mirchandani	Mirc Electronics Limited	Whole-time Director
4.	Mr. Rafique Malik	a. Mirc Electronics Limited	Independent Director
		b. Ador Fontech Limited	Independent Director
		c. Metro Brands Limited	Whole-time Director
5.	Mr. Carlton Pereira	a. Mirc Electronics Limited	Independent Director
		b. Sanghvi Brands Limited	Non-Executive Director
6.	Mr. Arvind Sharma	Mirc Electronics Limited	Independent Director
7.	Ms. Mohita Arora	Mirc Electronics Limited	Independent Director
8.	Mr. Lokesh Sikka	Mirc Electronics Limited	Whole-time Director

C] Information placed before the Board of Directors

Company Secretary prepares the Agenda in consultation with the Chairman of the Board of Directors and the Chairman of the various Committees. The Agenda of the meeting *inter-alia* includes the information as specified to be provided under Part-A of Schedule II of Regulation 17(7) of the Securities and Exchange Board of India (**SEBI**) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amended from time to time (hereinafter referred to as "**SEBI (LODR) Regulations, 2015**").

SEBI (LODR) Regulations, 2015 is made available to the Board. The agenda for the meetings of the Board and its Committees, together with the appropriate supporting documents, presentation and papers are circulated well in advance of the meetings to enable the Board and the Committees to deliberate and take informed decisions.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half yearly unaudited financial statements and the audited annual financial statements, annual operating plans and budgets,

CORPORATE GOVERNANCE REPORT

minutes of meetings of audit committee and other committees of the Board, quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material. It monitors overall operating performance and reviews such other items which require special attention of the Board of Directors of the Company. It directs and guides the activities of the management towards the set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with the applicable laws and regulations.

D] Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management of the Company and it is uploaded on the website of the Company i.e. www.onida.com. The Code of Conduct has been circulated to all members of the Board and senior management and the compliance of the same has been affirmed by them. A declaration by the Whole-time Director of the Company as required under Regulation 17(5), 26(3), 34(3) and Clause D of Schedule V of the SEBI (LODR) Regulations, 2015 is annexed herewith.

E] Independent Directors

Mr. Carlton Pereira and Mr. Rafique Malik, were appointed as an Independent Directors for second consecutive term of 5 (Five) years at the Thirty Eighth Annual General Meeting of the Company.

Ms. Mohita Arora was appointed as an Independent Director for 5 (Five) years at the Thirty-Ninth Annual General Meeting of the Company.

Mr. Arvind Sharma was appointed as an Independent Director for second consecutive term of 5 (Five) years at the Fortieth Annual General Meeting of the Company.

All appointments were made pursuant to the provisions of the Section 149 read with Schedule IV of the Companies Act, 2013.

The Company has issued a formal letter of appointment to the independent directors containing their duties, terms and conditions of appointment. The same is also disclosed on the website of the Company i.e. www.onida.com. The Independent Directors have confirmed about their independence and eligibility as required under Section 149(7) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of the Directors) Rules, 2014 amended from time to time.

F] Role of Independent Directors

The Independent Directors plays an important role in deliberations at the Board and Committee meetings and bring to the Company their expertise in the field of finance, management and public policy. The Independent Directors satisfy the criteria of independence as defined in the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder. They perform the duties as stipulated in the Companies Act, 2013 and rules made thereunder.

The Independent Directors had a separate meeting on February 09, 2023 without the attendance of non-independent directors and members of the management of the Company and reviewed the following:

- performance of non-independent directors and the Board as a whole;
- performance of the Chairman; and
- assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Company has familiarised the Independent Directors with their roles, rights, responsibilities in the Company and business model of the Company. This is also disclosed on the website of the Company i.e. www.onida.com and the link is <http://www.onida.com/policies>.

G] Performance Evaluation Criteria for Independent Directors:

The criteria for evaluation of Independent Directors, *inter alia*, includes attendance at the meetings, active participation, contribution in discussions on strategy, participate constructively and actively in committees of the Board, exercise of skills

CORPORATE GOVERNANCE REPORT

and diligence with due and reasonable care and to bring independent judgment to the Board, ability to bring in best practices from his / her experience and adherence to the code of conduct.

H] Chart or matrix setting out skill/ expertise / competence of the Directors

Your Company seeks to maintain a Board comprised of talented and dedicated directors with a diverse mix of expertise, experience, skills and backgrounds. For the purpose of Board composition, diversity includes, but is not limited to, educational and functional background, industry experience, geography, age, insider status, gender and ethnicity. The skills and backgrounds collectively represented on the Board reflect the diverse nature of the business environment in which the Company operates.

Pursuant to SEBI (LODR), Regulations 2015, a matrix chart setting out the core skills/expertise/competence of the Board as on March 31, 2023 is stated hereunder:

Sr. No.	List of core skills/ expertise/ competence	Gulu Mirchandani	Vijay Mansukhani	Kaval Mirchandani	Lokesh Sikka	Carlton Pereira	Rafique Malik	Arvind Sharma	Mohita Arora
1.	Industry experience and Knowledge	✓	✓	✓	✓	✓	✓	✓	✓
2.	Technology Innovation	✓	✓	✓	✓	✓	✓	✓	✓
3.	Sales and Marketing Functions	✓	✓	✓	-	-	✓	✓	✓
4.	Management of Business Operations	✓	✓	✓	✓	✓	✓	✓	✓
5.	Business Development and Strategy Formation	✓	✓	✓	-	✓	✓	✓	✓
6.	Planning, Sourcing and Costing	✓	✓	✓	✓	✓	✓	✓	✓
7.	Strategy/M&A/ Restructuring	✓	✓	✓	-	✓	✓	✓	✓
8.	Finance and Accounting	✓	✓	✓	-	✓	✓	✓	-
9.	Risk and compliance oversight	✓	✓	✓	✓	✓	✓	✓	✓
10.	Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓
11.	Human Resource Management	✓	✓	✓	✓	✓	✓	✓	✓
12.	Information technology strategy	✓	✓	✓	✓	✓	✓	✓	✓

III. Committees of the Board

The Board has established various committees such as Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee as per the requirement of the SEBI (LODR) Regulations, 2015 and Companies Act, 2013 as amended from time to time. The minutes of the aforesaid Committee meetings are circulated and discussed in the meetings of the Board of Directors of the Company.

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Audit Committee:**A] Constitution**

The composition, role and powers of the Audit Committee meet the requirements of Part C of Schedule II with reference to the Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

As at March 31, 2023, the Audit Committee comprised of following Independent Directors:

- 1) Mr. Carlton Pereira, Chairman;
- 2) Mr. Rafique Malik; and
- 3) Mr. Arvind Sharma.

The Company Secretary acts as the Secretary to the Audit Committee.

Mr. Carlton Pereira, Independent & Non-Executive Director of the Company and Chairman of the Audit Committee is a Chartered Accountant by profession. All the members of Audit Committee are Independent Non-Executive Directors of the Company. All the members of the Audit Committee are financially literate and possess accounting and financial management expertise. Mr. Carlton Pereira, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on August 22, 2022 to reply to the queries raised by the members of the Company.

B] Meetings of Audit Committee

During the financial year 2022-2023, 4 (four) meetings of the members of the Audit Committee were held. These meetings were held on May 25, 2022, August 05, 2022, November 11, 2022 and February 09, 2023. Mr. Gulu Mirchandani, Chairman and Managing Director, Mr. Vijay Mansukhani, Managing Director, Mr. Kaval Mirchandani, Whole Time Director, Mr. Lokesh Sikka, Whole Time Director and Mr. G. Sundar, Chief Executive Officer are permanent invitees to the Audit Committee meetings. The Chief Financial Officer, the Internal Auditors, the Statutory Auditors and Vice Presidents of various functions are also invited to the Audit Committee meetings as and when necessary. The attendance of each member of the Audit Committee in the above meetings is given hereunder: -

Name of Member	Audit Committee Meetings (Financial Year 2022-2023)	
	Held during tenure	Attended
Mr. Carlton Pereira (Chairman) I & NED*	5	5
Mr. Rafique Malik (Member) I & NED*	5	4 #
Mr. Arvind Sharma (Member) I & NED*	5	5

* Independent & Non-Executive Director.

Leave of Absence was granted for Audit Committee Meeting held on May 25, 2022.

Dates on which Audit Committee Meetings were held	Total Strength of the Committee	No of Members Present
May 25, 2022	3	2
August 05, 2022	3	3
November 11, 2022	3	3
February 09, 2023	3	3

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C] Powers of Audit Committee

The Board has delegated the following powers to the Audit Committee: -

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure the attendance of outsiders with relevant expertise, if it considers necessary.

D] Role / Terms of Reference of Audit Committee

The role of the Audit Committee includes the following:

1. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by the management;
 - d. significant adjustments made in the financial statements and information arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinions on the draft audit report.
5. reviewing with the management, the quarterly financial statements before submission to the Board for its approval;
6. reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the Company with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

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13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the Whistle Blower mechanism;
19. approval of appointment of Chief Financial Officer (CFO) (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

E] Review of information by Audit Committee

The following information is reviewed by the Audit Committee on mandatory basis:

1. Management Discussion and Analysis of the financial condition and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters/letters on internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor; and
6. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (LODR) Regulations, 2015.
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (LODR) Regulations, 2015.

Nomination and Remuneration Committee:

A] Constitution:

The composition, role and powers of the Nomination and Remuneration Committee meet the requirements of Part D of Schedule II with reference to Regulation 19 of the SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act,

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2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

As at March 31, 2023, the Nomination and Remuneration Committee consists of the following members:

- 1) Mr. Rafique Malik, Chairman;
- 2) Mr. Carlton Pereira;
- 3) Ms. Mohita Arora.

The Company Secretary of the Company acts as the Secretary of the Nomination and Remuneration Committee.

Mr. Rafique Malik, Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on August 22, 2022 to reply to the queries raised by the members of the Company.

B] Meetings of Nomination and Remuneration Committee

During the financial year 2022-2023, 4 (Four) meetings of the members of the Nomination and Remuneration Committee were held. These meetings were held on May 25, 2022, July 27, 2022, November 11, 2022 and February 09, 2023. The attendance of each member of the Nomination and Remuneration Committee in the above meetings is given below:

Name of Member	Nomination and Remuneration Committee meetings (Financial Year 2022-2023)	
	Held during tenure	Attended
Mr. Rafique Malik, I & NED* (Chairman)	4	3 #
Mr. Carlton Pereira, I & NED* (Member)	4	4
Ms. Mohita Arora, I & NED* (Member)	4	4

* Independent & Non- Executive Director.

Leave of Absence was granted for Nomination & Remuneration Committee Meeting held on May 25, 2022.

Dates on which Nomination and Remuneration Committee Meetings were held	Total Strength of the Committee	No of Members Present
May 25, 2022	3	2
July 27, 2022	3	3
November 11, 2022	3	3
February 09, 2023	3	3

C] Powers of Nomination and Remuneration Committee

The Nomination and Remuneration Committee is vested with all necessary powers and authority to ensure appropriate disclosure on the remuneration of the Directors, Key Managerial Personnel and other Senior Management Employees and to deal with all elements of the remuneration package of all the directors including but not restricted to the following:

- To review, assess and recommend the appointment and remuneration of executive directors.
- To review the remuneration packages payable to executive directors periodically and recommend suitable revision/increments, whenever required to the Board of Directors of the Company.
- To recommend the commission payable to the non-executive director(s) in accordance with and upto the limits laid down under the Companies Act, 2013.

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- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down under 'Policy on Remuneration of Directors, Key Managerial Personnel and other Senior Management Employees.'
- To recommend to the Board the appointment and removal of the director and shall carry out evaluation of every director performance.
- To formulate criteria for determining qualifications, positive attributes and independence of the director.
- To recommend to the Board a 'policy' relating to the remuneration of directors, key managerial personnel and other employees.
- To devise a policy on Board diversity.
- To carry out such other functions as delegated by the Board from time to time.
- To recommend to the Board, all remuneration, in whatever form, payable to the senior management.

D] Remuneration Policy

The Board has adopted Policy on remuneration of Directors, Key Managerial Personnel and other Senior Management Employees of the Company. Based on the policy, remuneration package of the executive directors is determined by the Nomination and Remuneration Committee within the permissible limits, subject to the approval by the Board and shareholders in the respective board and general meeting of the Company and as per applicable provisions of the Companies Act, 2013 and rules made thereunder. The remuneration to the executive directors comprises of basic salary, allowances, perquisites etc. The Nomination and Remuneration Committee decides and recommends annual increments for executive directors within the limits stipulated by the Board of Directors/Shareholders and other applicable approvals.

The Remuneration Policy ensures that:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors/Key Management Personnel (KMPs) and Senior Management Personnel (SMPs) to run the operations of the Company successfully;
- (b) relationship of remuneration to the performance is clear and meets appropriate performance benchmarks;
- (c) remuneration to the Directors, KMPs and SMPs involves a balance between fixed and variable pay reflecting short and long term performance objectives and goals set by the Company;
- (d) remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders; and
- (e) the pay structures are appropriately aligned across levels in the Company.

Performance Evaluation Criteria for fixing the remuneration of Managing Director / Whole Time Director, Non-Executive Director and Independent Directors, KMPs & SMPs:

1. Financial position of the Company.
2. Remuneration or commission drawn by him from any other company.
3. Professional qualifications and experience of the individual concerned.
4. Industry's pay standards and pay structure data studies undertaken by human resource consultants.
5. Attract and retaining talent and motivation for KMPs/SMPs.

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6. Special consideration for attracting top notch hi flier in case of KMPs/SMPs.
7. Past performance, past remuneration and special accreditation or meritorious performance.
8. Bring a balance between the interest of the Company and the shareholders.
9. Attendance at the Board meetings.
10. Active participation in the meetings.
11. Understanding the critical issues affecting the Company.
12. Prompts board discussion on strategic issues.
13. Brings relevant experience to the Board and uses it effectively.
14. Understands and evaluate the risk environment of the organization.
15. Conducts himself/herself in a manner that is ethical and consistent with the laws of the land.
16. Maintains confidentiality wherever required.
17. Communicates in an open and constructive manner.
18. Seeks satisfaction and accomplishment through serving on the Board.

i) Executive Directors' Remuneration

The Nomination and Remuneration Committee and Board of Directors of the Company in their respective meeting held on May 25, 2022 approved the re-appointment and remuneration of Mr. Gulu Mirchandani, as Chairman & Managing Director of the Company for a period of three (3) years with effect from December 1, 2022 till November 30, 2025 (both day inclusive) pursuant to the provisions of Section 196, 197 read with Schedule V to the Companies Act, 2013 and was approved by the members of the Company at the Forty-First Annual General Meeting held on August 22, 2022.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on May 26, 2023 approved the re-appointment and remuneration of Mr. Vijay Mansukhani as Managing Director of the Company for a period of 3 (three) years with effect from April 01, 2024 till March 31, 2027 (both day inclusive) pursuant to the provisions of Section 196, 197 read with Schedule V to the Companies Act, 2013, subject to the approval of members of the Company at the ensuing Forty-Second Annual General Meeting.

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on May 25, 2022 approved the re-appointment and remuneration of Mr. Kaval G. Mirchandani, Whole time Director of the Company for a period of 3 (three) years with effect from May 26, 2022 till May 25, 2025 (both day inclusive), pursuant to the provisions of Section 196, 197 read with Schedule V to the Companies Act, 2013 and was approved by the members at the Forty-First Annual General Meeting of the Company held on August 22, 2022.

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on May 25, 2022 approved the re-appointment and remuneration of Mr. Lokesh Sikka, Whole-time Director of the Company for a period of 3 (three) years with effect from February 13, 2023 till February 12, 2026 (both day inclusive), pursuant to the provisions of Section 196, 197 read with Schedule V to the Companies Act, 2013 and was approved by the members at the Forty-First Annual General Meeting of the Company held on August 22, 2022. Mr. Lokesh Sikka resigned as Director and Whole-time Director of the Company w.e.f. April 03, 2023.

The Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on April 3, 2023 approve the appointment and remuneration of Mr. Shirish Suvagia, as a Whole-time

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Director of the Company for a period of 3 (three) years with effect from April 4, 2023 to April 3, 2026, pursuant to the provisions of Section 196, 197 read with Schedule V of the Companies Act, 2013, which is subject to approval of members in the ensuing Forty-Second Annual General Meeting of the Company.

ii) Non-Executive Directors' Compensation and Disclosures

All fees/compensation paid to the non-executive directors, including independent directors as recommended by the Nomination and Remuneration Committee, are approved by the Board of Directors and are subject to approval by the members of the Company, if applicable.

The sitting fees shall be paid as remuneration to the Non-Executive Directors. The Company is availing professional expertise of the Non-Executive Directors through their participation in the Board meetings. The Non-Executive Directors are paid sitting fees of ₹ 20,000/- (Rupees Twenty Thousand only) per meeting for attending Board Meetings and Audit Committee Meetings respectively and ₹ 10,000/- (Rupees Ten Thousand only) for attending every meeting of the Nomination and Remuneration Committee, Stakeholders Relationship Committee as the case may be and other committees of the Board.

None of the Non-Executive Directors are holding any shares in the Company.

There are no pecuniary relationships or transaction of the non-executive directors with the Company.

The details of remuneration paid / payable to the Board of Directors for the financial year 2022-2023 are as follows:

(Amount in ₹)

Sr. No.	Director	Relation with the Company	Inter-se Relation	Remuneration for Financial Year 2022-2023					No. of equity shares held	
				Sitting fees	Salary allowance & perquisites	Commission	Provident Fund & Superannuation/ Gratuity	Performance Linked Incentives		Total
1	Mr. Gulu Mirchandani	Promoter [CMD]	Brother in law of sr. no.2 and father of sr. no. 3	Nil	11184000	Nil	979200	Nil	12163200	4,70,95,753
2	Mr. Vijay Mansukhani	Promoter [MD]	Brother in Law of sr. no.1	Nil	11184000	Nil	979200	Nil	12163200	2,63,35,774
3	Mr. Kaval Mirchandani	Promoter [WTD]	Son of sr. no. 1	Nil	3790539	Nil	172800	Nil	3963339	49,300
4	Mr. Lokesh Sikka	Non Promoter (WTD)	N.A.	Nil	5168652	Nil	164640	Nil	5333292	1
5	Mr. Rafique Malik	I & NED*	N.A.	2,00,000	N.A.	Nil	N.A.	Nil	2,00,000	--
6	Mr. Carlton Pereira	I & NED*	N.A.	2,20,000	N.A.	Nil	N.A.	Nil	2,20,000	--
7	Mr. Arvind Sharma	I & NED*	N.A.	1,80,000	N.A.	Nil	N.A.	Nil	1,80,000	--
8	Ms. Mohita Arora	I & NED*	N.A.	1,80,000	N.A.	Nil	N.A.	Nil	1,80,000	--

* Independent & Non-Executive Director.

Note:

- The remuneration paid to Mr. Gulu Mirchandani, Chairman and Managing Director, Mr. Vijay Mansukhani, Managing Director, Mr. Kaval Mirchandani, Whole Time Director and Mr. Lokesh Sikka, Whole Time Director of the Company, are within the limit prescribed under Schedule V to the Companies Act, 2013; and
- Contribution to Provident Fund & Superannuation / Gratuity payable shall not be included in the computation of the ceiling on managerial remuneration specified in Schedule V to the Companies Act, 2013; and
- The Company has not granted any stock options to any directors.

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Stakeholders Relationship Committee:**A] Constitution**

The composition, role and powers of the Stakeholders Relationship Committee meet the requirements of Part D of Schedule II with reference to Regulation 20 of the SEBI (LODR) Regulations, 2015 and Section 178 (5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time.

As at March 31, 2023, the Stakeholders Relationship Committee consists of the following members:

1. Mr. Rafique Malik, Chairman;
2. Mr. Gulu Mirchandani;
3. Mr. Vijay Mansukhani; and
4. Ms. Mohita Arora.

Mr. Prasad Oak, Head – Legal, Corporate Affairs and Company Secretary acts as the Compliance Officer of the Company.

The Company Secretary of the Company acts as the Secretary of the Stakeholders Relationship Committee.

Mr. Rafique Malik, Chairman of the Stakeholders Relationship Committee was present at the last Annual General Meeting of the Company held on August 22, 2022 to reply to the queries raised by the members of the Company.

B] Meetings of Stakeholders Relationship Committee

During the financial year 2022-2023, 4 (four) meetings of the members of Stakeholders Relationship Committee were held. These meetings were held on May 25, 2022, August 05, 2022, November 11, 2022 and February 09, 2023. The attendance of each member of the Stakeholder Relationship Committee in the above meetings is given below:

Name of the Member	Stakeholders Relationship Committee Meetings (Financial Year 2022-2023)	
	Held during tenure	Attended
Mr. Rafique Malik (Chairman) I & NED*	4	3 #
Mr. Gulu Mirchandani (Member) Promoter (CMD)	4	4
Mr. Vijay Mansukhani (Member) Promoter (MD)	4	4
Ms. Mohita Arora, I & NED* (Member)	4	4

* Independent & Non-Executive Director.

Leave of Absence was granted for Nomination & Remuneration Committee Meeting held on May 25, 2022.

Dates on which Stakeholders Relationship Committee Meetings were held	Total Strength of the Committee	Number of Members Present
May 25, 2022	4	3
August 05, 2022	4	4
November 11, 2022	4	4
February 09, 2023	4	4

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Status Report of investor queries and complaints for the period from April 01, 2022 to March 31, 2023 is given below:

Sr. No.	Particulars	No. of Complaints
1	Investor complaints pending at the beginning of the year	Nil
2	Investor complaints received during the year	7
3	Investor complaints disposed off during the year	7
4	Investor complaints remaining unresolved at the end of the year	Nil

C] Powers of Stakeholders Relationship Committee

The Committee is entrusted with the responsibility of redressing the shareholders'/ investors' complaints related to transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend and other queries/ complaints, if any. This committee also oversees the performance of the Registrar and Share Transfer Agent of the Company relating to the investor services and recommends measures for improvement.

D] Role / Terms of Reference of Stakeholders Relationship Committee

The role of the Stakeholders Relationship Committee includes the following:

1. resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders.

IV General Body Meetings

The location, time and date where Annual General Meetings (AGM) of the Company in previous 3 years were held are given hereunder: -

Financial Year	Location	Date	Time	No. of Special Resolutions passed at AGM
2021-2022	Through Video Conferencing / Other Audio Visual Means ("OAVM") ***	August 22, 2022	03.00 p.m.	4
2020-2021	Through Video Conferencing / Other Audio Visual Means ("OAVM") **	September 27, 2021	03.00 p.m.	2
2019-2020	Through Video Conferencing / Other Audio Visual Means ("OAVM") *	September 24, 2020	03.00 p.m.	1

*** The Annual General Meeting for the Financial year 2021-2022 was held through Video Conferencing / Other Audio Visual Means ("OAVM") in compliance with Circulars issued by the Ministry of Corporate Affairs ("MCA") vide circular bearing no. 20/2020 dated May 05, 2020 read with circulars bearing no. 02/2022 dated May 05, 2022, 21/2021 dated December 14, 2021, 19/2021 dated December 8, 2021, 02/2021 dated January 13, 2021 read together with circular 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively (collectively referred to as "MCA Circulars") and by the Securities and Exchange Board of India ("SEBI") vide circular bearing no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read together with SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read together with SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("SEBI Circular") due to COVID-19 pandemic.

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*** The Annual General Meeting for the Financial year 2020-2021 was held through Video Conferencing / Other Audio Visual Means ("OAVM") in compliance with Circulars issued by the Ministry of Corporate Affairs ("MCA") vide circular bearing no. 20/2020 dated May 05, 2020 read with circulars bearing no. 02/2021 dated January 13, 2021 read together with circular 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively (collectively referred to as "MCA Circulars") and by the Securities and Exchange Board of India ("SEBI") vide circular bearing no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read together with SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("SEBI Circular") due to COVID-19 pandemic.*

** The Annual General Meeting for the Financial year 2019-2020 was held through Video Conferencing / Other Audio Visual Means ("OAVM") in compliance with Circulars issued by the Ministry of Corporate Affairs ("MCA") vide circular bearing no. 20/2020 dated May 05, 2020 read with circulars bearing no. 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively (collectively referred to as "MCA Circulars") and by the Securities and Exchange Board of India ("SEBI") vide circular bearing no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("SEBI Circular") due to COVID-19 pandemic.*

Postal Ballot

During the year no resolution was passed through postal ballot.

V. Other Disclosures**A] Materially significant Related Party Transactions**

None of the transactions that transpired between the Company and its promoters, directors, management or their relatives were in potential conflict with the interest of the Company at large.

There is no material related party transaction in the Company, however the Company places all related party transactions before the Audit Committee and Board of Directors of the Company for their respective approvals. A register of contracts containing the transactions in which the directors are interested are placed regularly before the Board of Directors of the Company for their approval.

The Company had adopted policy on Related Party Transactions and the same is available on the website www.onida.com and the link is <http://www.onida.com/policies>.

B] Subsidiary

The Company do not have any subsidiary company.

Pursuant to the Explanation under Regulation 16(1) (c) of the SEBI (LODR) Regulations, 2015, the Company has made a policy for determining 'material' subsidiary and is available on the website of the Company i.e. www.onida.com and the link is <http://www.onida.com/policies>.

C] Status of regulatory compliances

The Company has complied with the applicable provisions of the SEBI (LODR) Regulations, 2015 as well as the other applicable regulations and guidelines of SEBI and other statutory authorities. Consequently, there are no strictures or penalties imposed on the Company for any matter relating to capital markets during the last three years except for the mentioned below:-

The National Stock Exchange of India Limited and BSE Limited had imposed fine of ₹ 25,000/- each for delay in submission of related party disclosures to the stock exchanges for half year ended March 2022 under Regulation 23(9) of the SEBI (LODR) Regulations, 2015. The aforesaid default had occurred due to technical reasons. Your Company had paid the amount of fine immediately to the National Stock Exchange of India Limited and BSE Limited respectively.

D] Vigil Mechanism/ Whistle Blower Policy

The Company has a Vigil Mechanism / Whistle Blower Policy for its Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or ethics. This mechanism provides adequate safeguards against victimisation of director(s)/employee(s) who avail this mechanism and also provide direct access to the

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Chairman of the Audit Committee in exceptional cases. Further, no personnel have been denied access to the Chairman of the Audit Committee.

The details of the establishment of such mechanism are disclosed by the Company on its website i.e. www.onida.com and the link is <http://www.onida.com/policies>.

E] Risk Management Committee

The Board of Directors of the Company has voluntarily formed a Risk Management Committee and defined its role and responsibilities. The majority of Committee consists of the members of the Board of Directors of the Company. The Committee has formulated a risk management policy for the risk assessment and minimisation procedures.

F] The Board has accepted all the recommendations of the committees of the Board.**G] Disclosure from Board of Directors**

The Board does hereby confirm that in their opinion, the Independent Directors fulfil the conditions specified in SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder and are independent of the management.

H] Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of the annual report and includes discussion on various matters specified under the Regulation 34(2)(e) and Part B of Schedule V to the SEBI (LODR) Regulations, 2015.

I] Details of Director seeking appointment/re-appointment as required under Regulation 36 (3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard

As required under the Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 on General Meeting issued by the Institute of Company Secretaries of the India (ICSI), particulars of Director seeking appointment/reappointment are given in the explanatory statements annexed to the Notice of the Annual General Meeting of the Company.

J] Insider Trading Code

The Board of Directors amended and adopted the 'Code for Insider Trading & Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' ("Code") as formulated under SEBI (Prohibition of Insider Trading) Regulations, 2015 and amended from time to time.

This Code is applicable to all directors and designated employees of the Company. This Code ensures prevention and dealing in shares of the Company by persons having access to unpublished price sensitive information. The Company monitors the transactions of insiders / designated employees in terms of the aforesaid rules periodically.

The Code of Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information (UPSI) as amended from time to time is disclosed by the Company on its website i.e. www.onida.com and the link is <http://www.onida.com/policies>.

K] Details of total fees paid to statutory auditors

As your Company does not have any subsidiary, following are the details of total fees paid by your Company to the statutory auditors namely S R B C & CO. LLP., Chartered Accountants, on standalone basis:

Particulars	Financial Year 2022-2023 (₹ In Lakhs)
Audit fees (including quarterly audits)	24.50
For other services (certifications, etc.)	9.00
For taxation matters	4.00
For reimbursement of expenses	3.50
Total	41.00

CORPORATE GOVERNANCE REPORT

L] Details of utilization of funds raised through preferential allotment or qualified institutions placement

Your Company had not raised funds through preferential allotment or qualified institutions placement during the financial year 2022-2023. The funds raised through preferential allotment in the earlier years are fully utilised.

M] CEO/ CFO Certification

The certificate in terms of Regulation 17(8) read with Part B of Schedule II to the SEBI (LODR) Regulations, 2015 (including any amendments for the time being in force) for the financial year ended March 31, 2023 was placed before the Board of Directors of the Company in their meeting held on May 26, 2023 and is annexed to this Report.

N] Non – Compliance of any requirement of Corporate Governance Report

The Company has complied with the requirements as mentioned in Schedule V, Para C, sub-para (2) to (10) of the SEBI (LODR) Regulations, 2015, except delay in submission of related party disclosures to the stock exchanges for half year ended March 2022 under Regulation 23(9) of the SEBI (LODR) Regulations, 2015. It may be noted that The National Stock Exchange of India Limited and BSE Limited had imposed fine of ₹ 25,000/- each and the company has paid the said fine.

O] Compliance with Mandatory and Non-Mandatory Requirements

The Company has complied with the requirements as specified in the SEBI (LODR) Regulations, 2015 including the Corporate Governance requirements specified under Regulation 17 to 27 and clauses (b) to (i) of sub-regulations (2) of Regulation 46 of SEBI (LODR) Regulations, 2015, except delay in submission of related party disclosures to the stock exchanges for half year ended March 2022 under Regulation 23(9) of the SEBI (LODR) Regulations, 2015. It may be noted that The National Stock Exchange of India Limited and BSE Limited had imposed fine of ₹ 25,000/- each and the company has paid the said fine.

The status on the Compliance with the Non-mandatory (discretionary requirements) recommendations in the SEBI (LODR) Regulations, 2015 is as under:

(a) Internal Audit:

The Internal Audit Report is submitted every quarter before the Audit Committee meeting and even partner / representative of internal auditor's firm is present during the Audit Committee meeting.

(b) Shareholder Rights:

The Company submits its quarterly and half-yearly results with Stock Exchanges in compliance with Regulation 33 of the SEBI (LODR) Regulations, 2015 and also published in the newspapers 'Navshakti' and 'Financial Express' nationwide. The quarterly and half-yearly results are also uploaded on the Company's website i.e. www.onida.com and therefore Company does not send the same to the shareholders separately.

The Adoption of other non-mandatory requirements under Regulation 34 of the SEBI (LODR) Regulations, 2015 are being reviewed by the Board from time to time.

P] Certification that none of the directors on the board of the company have been debarred or disqualified

The certificate in terms of Regulation 34(3) read with Part C of Schedule V to the SEBI (LODR) Regulations, 2015 (including any amendments for the time being in force) confirming that none of the directors on the Board of the Company as on March 31, 2023 have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, was placed before the Board of Directors of the Company in their meeting held on May 26, 2023 and is annexed to this Report.

CORPORATE GOVERNANCE REPORT

Q] Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There were no instances / complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. Number of complaints filed during the financial year - Nil
- b. Number of complaints disposed of during the financial year - Nil
- c. Number of complaints pending as on end of the financial year – Nil

R] Proceeds from Public Issues, Right Issues and Preferential Issue, Among Others

The Company did not raise money through any public issue, right issue or preferential issue during the financial year 2022-2023.

S] Compliance with SEBI (LODR) Regulations, 2015

The Company has complied with the requirements as specified in the SEBI (LODR) Regulations, 2015 to the extent applicable except delay in submission of related party disclosures to the stock exchanges for half year ended March 2022 under Regulation 23(9) of the SEBI (LODR) Regulations, 2015. This is due to technical error.

T] Disclosure of accounting treatment

There was no deviation in adhering the treatments prescribed in any of the Accounting Standards (AS) in the preparation of the financial statements of the Company.

U] Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

The Company has not provided any loans to firms / companies in which directors are interested.

V] Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company do not have any subsidiary company and hence no such details are provided herewith.

VI. Means of Communication

The Company has furnished quarterly financial results along with notes on a regular basis as per the format prescribed in the Regulation 33 of the SEBI (LODR) Regulations, 2015, within prescribed time to the stock exchanges in respect of last three quarters in financial year 2022-2023.

The quarterly financial results of the Company were published within 48 hours of conclusion of the meeting of the Board of Directors of the Company in English Newspaper viz. "Financial Express" and "Navshakti", newspaper published in the language of the region where the registered office of the Company is situated. The audited annual results for financial year 2022-2023 were published in "Financial Express" and "Navshakti".

In terms of Regulation 46 of the SEBI (LODR) Regulations, 2015, the Company is maintaining its website i.e. www.onida.com, containing the basic information about the Company i.e. details of business, financial information, shareholding pattern, compliance with corporate governance, contact information of designated employees who are responsible for assisting and handling the investors grievance, details of the agreements entered into with the media companies and/or their associates, terms and conditions of appointment of independent directors, composition of various committees of board of directors, code of conduct of board of directors and senior management personnel and various policies of the Company etc. The same information is updated on the website viz. www.onida.com within the prescribed time limit.

CORPORATE GOVERNANCE REPORT

VII. General Shareholders Information

Annual General Meeting Day, Date, Time and Mode	Monday, July 03, 2023 at 3.00 p.m. through Video Conferencing / Other Audio Visual Means
Financial year	1 st April – 31 st March
Book Closure	Monday, June 26, 2023 to Monday, July 03, 2023 (Both days inclusive)
Dividend payment date: [if declared]	Not Applicable
Listing on Stock Exchange	BSE Limited and National Stock Exchange of India Limited. Listing fees for the financial year 2023-2024 for both the stock exchanges have been paid by the Company.
Address of Stock Exchange	BSE Limited: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. National Stock Exchange of India Limited: C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400 051.
Stock code at BSE	500279
Stock symbol at NSE	MIRCELECTR
ISIN of the Company	INE831A01028
Website	www.onida.com
Email ID	investors@onida.com
Corporate Identification No. (CIN)	L32300MH1981PLC023637
Details of securities suspended	Not Applicable

Unclaimed Dividends

Since there was no dividend declared and paid from financial year 2011-2012, your Company did not have any funds as lying unpaid or unclaimed for a period of 7 (seven) years in terms of provisions of the Section 124 of the Companies Act, 2013. Therefore, there is no funds which required to be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to provisions of the Section 125 of the Companies Act, 2013.

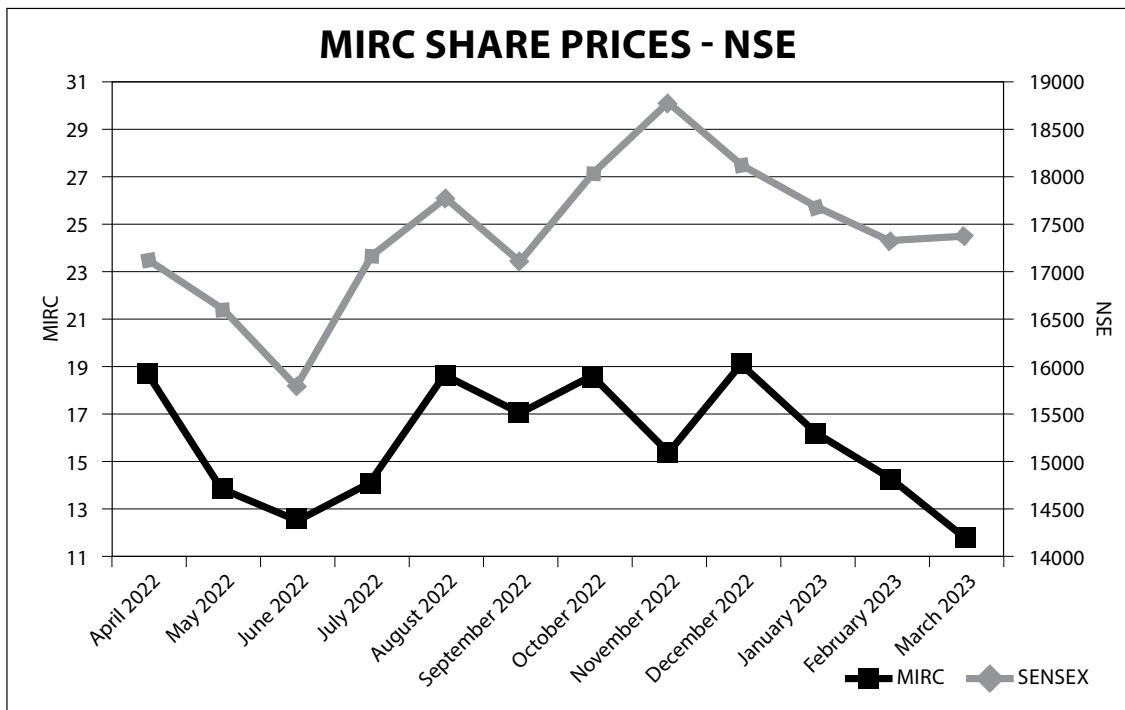
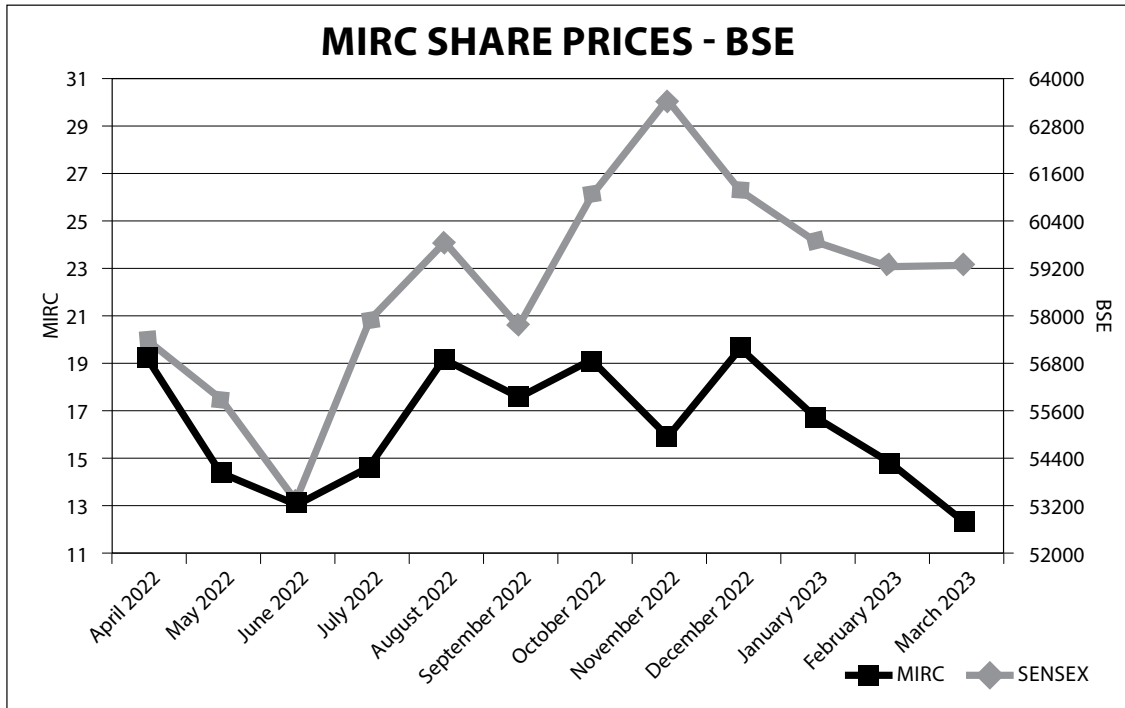
Market Price Data: (Financial Year 2022-2023)

Month	STOCK EXCHANGE							
	BSE Ltd.				National Stock Exchange of India Ltd.			
	MIRC Share Price		Sensex		MIRC Share Price		Nifty	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2022	22.70	18.60	60845.10	56009.07	22.90	18.55	18114.65	16824.70
May 2022	19.20	13.00	57184.21	52632.48	19.60	13.05	17132.85	15735.75
June 2022	14.55	11.55	56432.65	50921.22	14.50	11.20	16793.85	15183.40
July 2022	14.90	12.00	57619.27	52094.25	15.00	11.95	17172.80	15511.05
August 2022	19.40	13.81	60411.20	57367.47	19.40	13.65	17992.20	17154.80
September 2022	22.35	16.55	60676.12	56147.23	22.25	16.50	18096.15	16747.70
October 2022	19.00	15.20	60786.70	56683.40	19.25	15.80	18022.80	16855.55
November 2022	19.35	14.50	63303.01	60425.47	19.20	14.60	18816.05	17959.20
December 2022	21.50	15.00	63583.07	59754.10	21.50	15.05	18887.60	17774.25
January 2023	19.25	14.00	61343.96	58699.20	19.25	14.60	18251.95	17405.55
February 2023	16.50	13.25	61682.25	58795.97	16.65	13.60	18134.75	17255.20
March 2023	14.90	11.10	60498.48	57084.91	14.95	11.00	17799.95	16828.35

CORPORATE GOVERNANCE REPORT

Market price data (source: www.bseindia.com, www.nseindia.com)

Graphical presentation of Company's High Stock Price vs. Stock Exchange Index



CORPORATE GOVERNANCE REPORT

Registrar & Share Transfer Agent

Link Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083

Ph.: 022-49186000 Fax: 022-49186060

E-mail: rnt.helpdesk@linkintime.co.in

Share Transfer System

The shares of the Company are compulsorily traded in dematerialised form. However, shares held in physical form are processed by the Registrar & Share Transfer Agent in co-ordination with the Company and the share certificates are returned within 15 (Fifteen) days from the date of receipt for transfer by the Company, provided that the transfer documents are complete in all respects. Invalid share transfers are returned within 15 (Fifteen) days of receipt. All requests for de-materialisation of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As per SEBI norms, with effect from April 1, 2019 only transmission or transposition requests for transfer of shares shall be processed in physical form. All other transfers shall be processed in dematerialised form only. The Company has already sent reminders to the shareholders holding shares in physical form to dematerialise their shares promptly to avoid inconvenience.

Distribution of Shareholding as on March 31, 2023

Equity shares held	Shareholders	%	Shares	%
1-500	54543	73.48	7276961	3.15
501-1000	8208	11.06	7171238	3.10
1001-2000	5593	7.54	9529984	4.13
2001-3000	1767	2.38	4668719	2.02
3001-4000	849	1.14	3092220	1.34
4001-5000	937	1.26	4512173	1.95
5001-10000	1200	1.62	9252430	4.01
10001 and above	1130	1.52	185448894	80.30
Total	74227	100.00	230952619	100.00

Shareholding pattern as on March 31, 2023

Category	Number of shares	Percentage of Holding
A Promoter's Holding		
1 Indian Promoter	12,32,42,638	53.36
2 Foreign Promoter	0	0.00
Sub Total (A)	12,32,42,638	53.36
B Non Promoter's Holding		
Institutional Investors		
1 Mutual Fund	1,700	0.00
2 Foreign Portfolio Investor	24,58,433	1.06
3 Financial Institutions / Banks	1,115	0.00
Total (Institutional Investors)	24,61,248	1.06
Non Institutional Investors		
1 Individuals	8,84,17,443	38.29
2 NBFCs registered with RBI	14,407	0.01
3 IEPF	17,96,034	0.78
4 Trusts	4,010	0.00
5 Hindu Undivided Family	39,81,364	1.72
6 Non Resident Indians	13,29,686	0.58
7 Clearing Member	54,334	0.02

CORPORATE GOVERNANCE REPORT

Category	Number of shares	Percentage of Holding
8 Bodies Corporate	96,51,455	4.18
9 Government Companies	0	0.00
Total (Non-Institutional Investors)	10,52,48,733	45.58
Sub Total (B)	10,77,09,981	46.64
Grand Total (A + B)	23,09,52,619	100.00

Dematerialisation of shares and liquidity

As at March 31, 2023, 98.83% (22,82,42,199 shares) of paid up share capital was held in dematerialised form with NSDL and CDSL, while 1.17% (27,10,420 shares) were held in physical form. All promoters' shareholdings are in dematerialised form. Trading in equity shares of the Company is permitted only in dematerialised form through NSDL and CDSL as per notifications issued by the Securities and Exchange Board of India.

Outstanding GDRs / ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs / ADRs or any other convertible instruments as on March 31, 2023 which likely to have an impact on the equity share capital of the Company.

Commodity price risk or foreign exchange risk and hedging activities:

The Company is exposed to foreign exchange risk on account of import of various raw materials used in its production and technology products imported and sold, and other export transactions. To reduce this risk in the long-term the Company constantly evaluates its business plan and opportunities for localization. Hedging is also used as a tool to manage foreign exchange risk.

Plant Locations

1.	Wada Village Kudus, Bhiwandi Wada Road, Taluka Wada, District. Palghar, Maharashtra - 421 312	2.	Roorkee – Plant II Khasra No.399 to 401 & 405 to 410, 158 KMS Milestone, Delhi-Roorkee Highway – NH 58, Village – Mundiayaki, Pargana – Manglour, Tehsil-Roorkee, District – Haridwar, Uttarakhand – 247 670
3.	Chiplun Plot No. G-1, Lote Parshuram Industrial Area, Village Dhamandevi, Taluka Khed, District. Ratnagiri, Maharashtra-415 639		

Address for correspondence

MIRC Electronics Limited
Onida House, G-1, MIDC, Mahakali Caves Road,
Andheri (East), Mumbai – 400 093
Ph Nos. 022-66975777 Fax 022-28202002
Email ID: - investors@onida.com, Website: www.onida.com

List of all credit ratings obtained by the Company along with any revisions thereto, for all debt instruments or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad.

The Company had not issued any debt instruments or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad and hence no credit ratings was obtained by the Company.

for and on behalf of the Board of Directors

Place : Haridwar
Date: May 26, 2023

Gulu Mirchandani
Chairman and Managing Director
(DIN: 00026664)

CORPORATE GOVERNANCE REPORT

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATE PURSUANT TO REGULATION 17(8) READ WITH PART B OF SCHEDULE II TO THE SEBI (LODR) REGULATIONS, 2015

We, Kaval Mirchandani, Whole-time Director and Shirish Suvagia, Chief Financial Officer & Whole-time Director of MIRC Electronics Limited hereby certify to Board that:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee that:
 - (i) there are no significant changes in internal control over financial reporting during the year;
 - (ii) there have been no significant changes in accounting policies during the year which are required to be disclosed in the notes to the financial statements; and
 - (iii) there have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

for MIRC Electronics Limited

Place: Mumbai
Date: May 26, 2023

Kaval Mirchandani
Whole-time Director **Shirish Suvagia**
Chief Financial Officer & Whole-time Director

COMPLIANCE OF CODE OF CONDUCT OF THE COMPANY

As provided under Regulation 17(5), 26(3) and Clause D of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Kaval Mirchandani, Whole-time Director, hereby confirm that all Board Members and Senior Management Personnel have affirmed the compliance with the Code of Conduct of MIRC Electronics Limited for the year ended March 31, 2023.

for MIRC Electronics Limited

Place: Mumbai
Date: May 26, 2023

Kaval Mirchandani
Whole-time Director

CORPORATE GOVERNANCE REPORT

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
MIRC Electronics Limited
Mumbai

We have examined the compliance of conditions of Corporate Governance by **MIRC Electronics Limited** ('the Company'), for the financial year ended on 31st March, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

It may be noted that there was delay in submission of related party disclosures to the stock exchanges for half year ended March 2022 under Regulation 23(9) of the SEBI (LODR) Regulations, 2015.

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

**For Nilesh Shah & Associates
Company Secretaries**

**Place: Mumbai
Date: 26.05.2023**

**Rakesh Achhpal
Partner
ACS - 20438
C.P.No: 54525
UDIN: A054525E000391862
Peer Review No.: 698/2020**

CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
MIRC Electronics Limited
Onida House, G-1 MIDC, Mahakali Caves Road,
Andheri (East), Mumbai 400093

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MIRC ELECTRONICS LIMITED**, having CIN: **L32300MH1981PLC023637** and having registered office situated at Onida House, G-1, MIDC, Mahakali Caves Road, Andheri (East) Mumbai 400093 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and carried by us and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2023** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities:

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment in Company
1	Mr. Gulu Mirchandani	00026664	01/01/1981
2	Mr. Vijay Mansukhani	01041809	01/01/1981
3	Mr. Kaval Mirchandani	01179978	26/05/2016
4	Mr. Carlton Pereira	00106962	15/05/2014
5	Mr. Rafique Malik	00521563	28/01/2014
6	Mr. Arvind Sharma	01229072	14/11/2016
7	Mr. Lokesh Sikka	08665841	13/02/2020
8	Ms. Mohita Arora	08771417	26/06/2020

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

Mahesh M. Darji
Company Secretary in Practice
FCS: 7175
CP: 7809
UDIN: F007175E000393726
Peer Review No.: 2061/2022

Place : Mumbai
Date : 26.05.2023

INDEPENDENT AUDITOR’S REPORT

To the Members of MIRC Electronics Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of MIRC Electronics Limited (“the Company”), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
<p>Revenue recognition (refer note 26 to the financial statements)</p> <p>Revenue from the sale of goods (hereinafter referred to as “Revenue”) is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such revenue recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred. Considering the aforesaid, we have considered revenue recognition as a key audit matter.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> Assessed the Company’s revenue recognition accounting policies in line with Ind AS 115 (“Revenue from Contracts with Customers”) and tested thereof. Evaluated the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls over recognition of revenue. Evaluated the design, implementation and operating effectiveness of Company’s controls in respect of revenue recognition. Tested the effectiveness of such controls over revenue cut off at year-end. On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer contracts and shipping documents. Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and test sales returns subsequent to year-end.

INDEPENDENT AUDITOR'S REPORT

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (refer note 26 to the financial statements)	
	<ul style="list-style-type: none"> Compared revenue with historical trends and where appropriate, conducted further enquiries and testing. Assessed disclosures in financial statements in respect of revenue, as specified in Ind AS 115.
Identification and value adjustments to slow-moving and non-moving inventories (Refer note 8 to the financial statements)	
<p>As at March 31, 2023 the carrying value of inventories amounted to ₹ 27,258.40 lakhs. The inventories are valued at lower of cost or net realizable value.</p> <p>The Company carries out an inventory review on a periodic basis and considers the ageing and expected production and sales forecast of inventory items for the purpose of identification of slow moving and non-moving items, against which it makes adjustments based on its estimated realizable value.</p> <p>Given the significant judgement exercised by the management in the estimation and considering the amount involved, we have considered the identification and value adjustments to slow-moving and non-moving inventories as a key audit matter.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> We have obtained understanding of how the management identifies the slow moving and non-moving inventories and estimates the net realizable value of slow moving and non-moving inventories. We also assessed reasonableness of the allowance policy which is based on historical sales performance and future production and sales plan of inventories. We obtained the list of slow moving and non-moving inventories from the Company, verified the ageing and inquired with the management for the realizability plan of such items of inventories, on a test check basis. We have obtained the working of net realizable value for slow moving and non-moving inventories and tested the same on a sample basis by comparing it with the past sales transactions. We have verified whether the value adjustments made to slow-moving and non-moving inventories are in line with the Company's provisioning policy.
Tax litigations (Refer note 38 to the financial statements)	
<p>As at the balance sheet date, the Company has certain tax litigations which are pending with various level of judicial authorities. The total tax exposure amounts as at March 31, 2023 is ₹ 6,786.87 lakhs. The Company has tax balances recoverable of ₹ 3,519.64 lakhs related to these tax balances is dependent on the outcome of these tax litigations.</p> <p>The accounting for these tax positions comprises significant judgment by the management mainly in the area whether to recognize these uncertain positions as a contingent liability or as a provision and also the recoverability of outstanding tax receivable. Given the high level of management judgement, tax laws interpretations and significant amount of litigations involved, we considered this area to be a key audit matter.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> We obtained the list of tax litigations from the Company. We have obtained and read the Company's submission to tax authorities and the tax opinions of management's experts on these litigation matters, wherever considered necessary. We also involved our internal team of tax specialists to review management's assessment for material litigation matters based on past precedence and applicable compliance with tax laws. We have assessed the accounting and disclosures related to these litigations in the financial statements.

We have determined that there are no other key audit matters to communicate in our report.

INDEPENDENT AUDITOR'S REPORT

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

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

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

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management

either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the Company does not have server physically located in India for the daily backup of books of accounts and other books and papers maintained in electronic mode;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The qualification relating to the maintenance of books of accounts and other matters connected herewith are as stated in paragraph (b) above.
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 38 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

INDEPENDENT AUDITOR'S REPORT

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 48 to the financial statements, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 48 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan

Partner

Membership Number: 109360

UDIN: 23109360BGYBHH7675

Place of Signature: Mumbai

Date: May 26, 2023

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: MIRC Electronics Limited ("the Company")

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

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease arrangements are duly executed in the favour of the lessee) disclosed in note 2 of the financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noted in case of such verification.
- (b) As disclosed in note 21 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company.
- (iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ("the Act") are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to manufacture of consumer appliances, and are of the opinion that prima facie, the specified accounts and records have been made

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

and maintained. We have not, however, made a detailed examination of the same.

- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According

to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Statement of arrears of statutory dues outstanding for more than six months

Name of the statute	Nature of Dues	Amount (in ₹ lakhs)	Period to which the amount relates	Due date	Date of payment
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	3.33	2019-2020 2021-2022 2022-2023	15th of next month	Not paid
Profession Tax Act	Profession tax	1.36	2017-2018 2018-2019 2019-2020 2020-2021 2021-2022 2022-2023	15th of next month	Not paid

The provisions relating to sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of Dues	Amount (in ₹ lakhs) (net of deposits)	Period to which the amount relates	Forum where the dispute is pending
The Income-Tax Act, 1961	Income Tax	160.98	2015-2016 2016-2017	Commissioner of Income Tax (Appeals)
		111.85	2001-2002, 2005-2006, 2010-2011	High Court
The Finance Act, 1994	Service Tax	5,827.19	FY 2007-08 - FY 2009-10, December 2007 - December 2015, April 2011 - December 2015, January 2016 - June 2017	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
		129.31	FY 2015 - 2016	High Court
		92.55	FY 2005 - 2010	Commissioner (Appeals)

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

Name of the statute	Nature of Dues	Amount (in ₹ lakhs) (net of deposits)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	2.02	FY 1997-1998, FY 1999-2000	Commissioner (Appeals)
		10.00	FY 1998-1999	High Court
		126.33	FY 2007-08, FY 2008-09, March 2010 - February 2012, April 2011 - March 2016	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
The Customs Act, 1962	Customs duty	23.80	FY 2012-2013 FY 2022-2023	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
		103.83	FY 2012-14	Commissioner of Customs
		14.41	FY 2015-2016 FY 2022-2023	Commissioner of Customs (Appeals)
		128.12	FY 2014-2016 FY 2022-2023	Deputy Commissioner of Customs
		1,406.94	FY 2012-2013	Supreme Court
		20.84	FY 2022-2023	Joint Commissioner of Customs
The Sales Tax Act (Centre and state)	Sales Tax	0.03	FY 2009 -10, FY 2011-12	Appellate Authorities
		0.87	FY 2010-11	Additional Commissioner (Appeals)
		52.93	FY 2010-11, FY 2013-14	Appellate Authority
		163.98	FY 2008-09, FY 2010-11, FY 2011-12, FY 2012-13, FY 2014-15, FY 2017-18	Assessing Officer
		128.84	FY 2010-11, FY 2011-12, FY 2012-13, FY 2013-15	Assistant Commissioner

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

Name of the statute	Nature of Dues	Amount (in ₹ lakhs) (net of deposits)	Period to which the amount relates	Forum where the dispute is pending
		83.38	FY 2006 -07, FY 2007-08, FY 2008-09, FY 2011-12, FY 2012-13	Commissioner
		370.32	FY 2000-01	Deputy Commissioner (Appeals)
		48.21	FY 1997-98, FY 1999-00, FY 2000-01, FY 2003-04, FY 2004-05, FY 2006-07, FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11, FY 2011-12, FY 2012-13, FY 2016-17	Deputy Commissioner
		914.42	FY 2002-03, FY 2003-04, FY 2004-05, FY 2010-11 FY 2013-14 FY 2014-15 FY 2015-16 FY 2016-17 FY 2017-18	High Court
		12.69	FY 2003-04, FY 2005-06, FY 2008-09, FY 2010-11, FY 2012-13, FY 2013-14, FY 2014-15, FY 2015-16.	Joint Commissioner

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

Name of the statute	Nature of Dues	Amount (in ₹ lakhs) (net of deposits)	Period to which the amount relates	Forum where the dispute is pending
		4,099.84	FY 2005-06, FY 2006-07, FY 2013-14, FY 2014-15, FY 2015-16	Joint Commissioner (Appeals)
		438.30	FY 2006-07, FY 2007-08, FY 2008-09, FY 2009-10, FY 2010-11	Revisional Board
		168.19	FY 2003-04, FY 2005-06, FY 2006-07, FY 2007-08	Tribunal

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor, secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

- (xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 49 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of Section 135 to the Act in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership Number: 109360
UDIN: 23109360BGYBHH7675

Place of Signature: Mumbai
Date: May 26, 2023

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of MIRC Electronics Limited

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

We have audited the internal financial controls with reference to financial statements of MIRC Electronics Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan

Partner

Membership Number: 109360

UDIN: 23109360BGYBHH7675

Place of Signature: Mumbai

Date: May 26, 2023

BALANCE SHEET AS AT 31st MARCH, 2023

	Notes	As at 31st March, 2023 ₹ in lakhs	As at 31st March, 2022 ₹ in lakhs
I. Assets			
Non-current assets			
(a) Property, Plant and Equipment	2	8,365.89	8,952.21
(b) Capital work-in-progress	2A	45.95	40.59
(c) Right of use Assets	2B	312.66	241.21
(d) Other Intangible Assets	3	14.76	19.87
(e) Financial Assets			
(i) Investments	4	142.75	136.05
(ii) Others	5	847.72	934.87
(f) Income Tax Assets (Net)	6	305.80	276.87
(g) Deferred tax assets (Net)	18	-	-
(h) Other non-current assets	7	4,171.81	2,663.05
Total non-current assets		14,207.34	13,264.72
Current assets			
(a) Inventories	8	27,258.40	42,428.03
(b) Financial Assets			
(i) Trade receivables	9	8,957.17	10,222.13
(ii) Cash and cash equivalents	10	386.71	564.39
(iii) Bank balances (other than note (ii) above)	11	672.84	1,213.53
(iv) Others	12	186.44	379.22
(c) Other current assets	13	1,263.48	2,369.05
Total current assets		38,725.04	57,176.35
Total Assets		52,932.38	70,441.07
II. Equity and Liabilities			
Equity			
(a) Equity Share capital	14	2,311.39	2,311.39
(b) Other Equity	15	16,773.31	18,013.48
Total equity		19,084.70	20,324.87
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,166.17	1,462.54
(ii) Lease liabilities	17	119.15	37.61
(iii) Other financial liabilities	19	-	47.76
(b) Provisions	20	752.03	734.17
Total Non current liabilities		2,037.35	2,282.08
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	6,769.40	5,307.65
(ii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		282.30	238.08
Total outstanding dues of creditors other than micro enterprises and small enterprises		21,158.85	38,107.30
(iii) Lease liabilities	17	119.00	25.46
(iv) Other financial liabilities	23	1,952.51	1,880.55
(b) Other current liabilities	24	1,074.16	1,763.02
(c) Provisions	25	454.11	512.06
Total current liabilities		31,810.33	47,834.12
Total Equity and Liabilities		52,932.38	70,441.07
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number 324982E/E300003

per **Firoz Pradhan**

Partner

Membership No.109360

For and on behalf of the Board of Directors of

MIRC Electronics Limited

G.L. Mirchandani

Chairman and Managing Director

DIN : 00026664

Prasad Oak

Head - Corporate Affairs, Legal and

Company Secretary

V.J.Mansukhani

Managing Director

DIN : 01041809

Kaval Mirchandani

Whole-time Director

DIN : 01179978

Shirish Suvagia

Whole-time Director and Chief Financial Officer

DIN : 10095690

Place : Mumbai

Date : 26th May, 2023

Place : Haridwar

Date : 26th May, 2023

Place : Mumbai

Date : 26th May, 2023

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023

	Notes	For the year ended 31st March, 2023 ₹ in lakhs	For the year ended 31st March, 2022 ₹ in lakhs
Income			
Revenue from operations	26	1,11,022.50	1,19,217.20
Other Income	27	244.04	533.30
Total Income		1,11,266.54	1,19,750.50
Expenses			
Cost of raw materials and components consumed	28	64,613.00	86,325.38
Purchases of Traded Goods	29	24,203.44	19,912.65
Changes in inventories of Finished Goods, Work-in-progress and Stock in Trade	30	7,151.45	(1,880.53)
Employee benefits expense	31	6,604.19	6,068.25
Finance Cost	32	1,089.65	1,408.44
Depreciation and amortisation expenses	33	903.56	776.87
Other Expenses	34	7,948.04	7,434.97
Total Expenses		1,12,513.33	1,20,046.03
Loss before exceptional items and tax		(1,246.79)	(295.53)
Exceptional items	37	-	(1,711.61)
Loss before tax		(1,246.79)	(2,007.14)
Tax Expense			
Current Tax		-	-
Deferred Tax	18	-	-
Total tax expense		-	-
Loss for the year after tax		(1,246.79)	(2,007.14)
Other Comprehensive Income (net of tax)			
Items that will not be reclassified to Profit or Loss			
Remeasurement of the defined benefit plans		6.62	(18.50)
Total Other Comprehensive Income / (Loss) (net of tax)		6.62	(18.50)
Total Comprehensive (Loss) for the year (net of tax)		(1,240.17)	(2,025.64)
Earnings per Equity Share [Face Value of share Re. 1 each (31st March, 2022: ₹ 1 each)]	36		
- Basic (₹)		(0.54)	(0.87)
- Diluted (₹)		(0.54)	(0.87)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number 324982E/E300003

per **Firoz Pradhan**
Partner
Membership No.109360

Place : Mumbai
Date : 26th May, 2023

For and on behalf of the Board of Directors of

MIRC Electronics Limited

G.L. Mirchandani
Chairman and Managing Director
DIN : 00026664

Prasad Oak
Head - Corporate Affairs, Legal and
Company Secretary

Place : Haridwar
Date : 26th May, 2023

V.J.Mansukhani
Managing Director
DIN : 01041809

Kaval Mirchandani
Whole-time Director
DIN : 01179978

Shirish Suvagia
Whole-time Director and Chief Financial Officer
DIN : 10095690

Place : Mumbai
Date : 26th May, 2023

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2023

Particulars	For the year ended 31st March, 2023 ₹ in lakhs	For the year ended 31st March, 2022 ₹ in lakhs
Cash flow from Operating Activities		
Loss before tax	(1,246.79)	(2,007.14)
Adjustments for :		
Depreciation of property, plant and equipment	712.59	703.01
Amortisation of right of use assets	185.86	68.92
Amortisation of intangible assets	5.11	4.94
Gain on disposal of property, plant and equipment	(85.83)	(162.69)
Provision creation/(reversal) on Inventory	(249.10)	1,874.30
Net unrealised foreign exchange difference	(13.59)	16.44
Provision for doubtful debts	287.13	197.66
Amortisation of security deposits	32.07	38.19
Liabilities written back	(48.78)	(28.67)
Finance expenses	1,089.65	1,408.44
Interest income	(126.48)	(153.50)
Dividend Income	(9.29)	(4.47)
Working capital adjustments :		
Increase/(decrease) in trade payables	(16,841.86)	5,986.82
Increase/(decrease) in current provision	(57.95)	3.84
Increase in current financial liabilities	85.23	252.14
(Decrease) in non-current financial liabilities	(47.76)	-
Increase/(decrease) in other current liabilities	(688.86)	1,335.43
Increase in non current provision	24.48	93.70
Decrease in trade receivables	977.83	953.11
(Increase)/decrease in inventories	15,418.73	(8,858.38)
Decrease in current financial assets	66.27	941.74
(Increase)/decrease in non current financial assets	87.15	(773.35)
Decrease in other current assets	1,105.57	668.88
(Increase) in other non current assets	(1,508.76)	(6.23)
	(847.38)	2,553.13
Income tax paid (Net)	(28.93)	(104.85)
Net cash generated from/(used in) operating activities (A)	(876.31)	2,448.28
Investing activities		
Purchase of property, plant and equipment	(47.63)	(877.62)
Sale of property plant and equipment and intangible assets	110.15	177.92
Fixed deposits with original maturity of more than three months placed	(671.80)	(1,212.31)
Fixed deposits with original maturity of more than three months matured	1,213.48	2,135.16
Interest received	144.57	81.22
Dividend received on Mutual Funds	9.29	4.47
Purchase of Mutual Funds	(2,559.29)	(37.57)
Sale of Mutual Funds	2,551.70	61.11
Net cash generated from investing activities (B)	750.47	332.38
Financing activities		
Proceeds from long term borrowings	2,335.97	1,702.00
Repayment of long term borrowings	(903.03)	(771.19)
Repayment of short term borrowings (net)	(267.56)	(2,695.36)
Repayment of lease liability	(139.01)	(20.00)
Interest paid	(1,078.22)	(1,244.95)
Net cash used in financing activities (C)	(51.84)	(3,029.50)

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2023

Particulars	For the year ended 31st March, 2023 ₹ in lakhs	For the year ended 31st March, 2022 ₹ in lakhs
Net decrease in cash and cash equivalents (A + B + C)	(177.68)	(248.84)
Cash and cash equivalents at the beginning of the year	564.39	813.23
Cash and cash equivalents at year end	386.71	564.39
Components of cash and cash equivalents (refer note 10)		
Cash in hand	1.65	1.53
Balances with banks	31.37	50.58
Cheques in hand	353.69	512.28
Cash and cash equivalents	386.71	564.39

Reconciliation of Liabilities from financing activities

	₹ In lakhs			
	As at 31st March 2022	Cash Flows		As at 31st March 2023
		Proceeds	Payment	Reclassifica- tions / Non Cash Transactions
Long Term Borrowing (excluding current maturities of Long Term borrowings)	1,462.54	2,335.97	(903.03)	(1,729.31)
Short Term Borrowing	5,307.65	-	(267.56)	1,729.31
	6,770.19	2,335.97	(1,170.59)	-

	₹ In lakhs			
	As at 31st March 2021	Cash Flows		As at 31st March 2022
		Proceeds	Payment	Reclassifica- tions / Non Cash Transactions
Long Term Borrowing (excluding current maturities of Long Term borrowings)	839.70	1,702.00	(771.19)	(307.97)
Short Term Borrowing	7,695.04	-	(2,695.36)	307.97
	8,534.74	1,702.00	(3,466.55)	-

The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number 324982E/E300003

per **Firoz Pradhan**
Partner
Membership No.109360

For and on behalf of the Board of Directors of

MIRC Electronics Limited

G.L. Mirchandani
Chairman and Managing Director
DIN : 00026664

Prasad Oak
Head - Corporate Affairs, Legal and
Company Secretary

Place : Haridwar
Date : 26th May, 2023

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Managing Director
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Kaval Mirchandani
Whole-time Director
DIN : 01179978

Shirish Suvagia
Whole-time Director and Chief Financial Officer
DIN : 10095690

Place : Mumbai
Date : 26th May, 2023

Place : Mumbai
Date : 26th May, 2023

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023

EQUITY SHARE CAPITAL (Refer Note 14)

Equity Shares of Re. 1 each issued, subscribed and fully paid-up	No. In lakhs	₹ In lakhs
At 1st April, 2022	2,312.01	2,311.39
Changes in Equity Share capital due to prior period error	-	-
Restated balance as at 1st April, 2022	2,312.01	2,311.39
Issue of share capital	-	-
At 31st March, 2023	2,312.01	2,311.39

Equity Shares of Re. 1 each issued, subscribed and fully paid-up	No. In lakhs	₹ In lakhs
At 1st April, 2021	2,312.01	2,311.39
Changes in Equity Share capital due to prior period error	-	-
Restated balance as at 1st April, 2021	2,312.01	2,311.39
Issue of share capital	-	-
At 31st March, 2022	2,312.01	2,311.39

OTHER EQUITY (Refer Note 15)

For the year ended 31st March, 2023

₹ In lakhs

	Reserves & Surplus						Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Other Comprehensive Income/(Loss)	
Balance as at 1st April, 2022	2,016.06	1,990.74	11,748.64	7,092.91	(4,680.90)	(153.97)	18,013.48
Loss for the year	-	-	-	-	(1,246.79)	-	(1,246.79)
Other Comprehensive Income for the year	-	-	-	-	-	6.62	6.62
Total Comprehensive Income/(Loss)	2,016.06	1,990.74	11,748.64	7,092.91	(5,927.69)	(147.35)	16,773.31
Balance as at 31st March, 2023	2,016.06	1,990.74	11,748.64	7,092.91	(5,927.69)	(147.35)	16,773.31

For the year ended 31st March, 2022

₹ In lakhs

	Reserves & Surplus						Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained earnings	Other Comprehensive Income/(Loss)	
Balance as at 1st April, 2021	2,016.06	1,990.74	11,748.64	7,092.91	(2,673.76)	(135.47)	20,039.12
Loss for the year	-	-	-	-	(2,007.14)	-	(2,007.14)
Other Comprehensive Loss for the year	-	-	-	-	-	(18.50)	(18.50)
Total Comprehensive Income/(Loss)	2,016.06	1,990.74	11,748.64	7,092.91	(4,680.90)	(153.97)	18,013.48
Balance as at 31st March, 2022	2,016.06	1,990.74	11,748.64	7,092.91	(4,680.90)	(153.97)	18,013.48

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number 324982E/E300003

per **Firoz Pradhan**

Partner

Membership No.109360

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Whole-time Director and Chief Financial Officer

DIN : 10095690

Place : Mumbai

Date : 26th May, 2023

Place : Haridwar

Date : 26th May, 2023

Place : Mumbai

Date : 26th May, 2023

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Corporate information

MIRC Electronics Limited ("the Company") is a listed entity incorporated in India. The address of registered office and principal place of business is Onida House, G-1, MIDC, Mahakali Caves Road, Andheri(East), Mumbai 400093. The Company is principally engaged in manufacturing and trading of electronic items.

The Ordinary (Equity) shares of the Company are listed on the National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE").

The standalone financial statements were approved for issue in accordance with a resolution of the Directors on 26th May, 2023

1 Significant accounting policies

a Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable. These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at carrying value which approximates the amortized cost at each balance sheet date, as explained in the accounting policies below.

The financial statements are presented in Indian Rupees ('₹'), which is also the Company's functional currency and all values are rounded to the nearest Lakhs upto two decimals except when otherwise 0.00 amount indicates less than ₹ 1000. All amounts are in ₹ Lakhs, unless otherwise stated.

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

b Fair value measurement

The Company measures financial instruments 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

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 categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value.

c Property, Plant and Equipment

Property, Plant and Equipment including Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work in progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is provided on Straight Line basis for Property, Plant and Equipment's i.e. the cost less estimated residual value over its estimated useful lives which is same as useful life specified in Schedule II of the Companies Act 2013. The estimated useful lives and residual values are reviewed regularly and the effect of any changes in estimates is accounted on prospective basis.

Leasehold Land is amortised on a straight line basis over the period of lease.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

The Company has elected to measure items of property plant and equipment at its carrying value at the date of transition.

d Impairment of Non- Financial Assets

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

e Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets (Computer Software) is amortised on a straight line basis over the useful life estimated to be 6 years.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Profit and Loss when the asset is de-recognised.

The Company has elected to measure intangible assets at its carrying value at the date of transition.

f Leases

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

Where the Company is the lessee:

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

Right of use assets :

The Company recognises right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets as follows :

Premises	3 years
----------	---------

The right of use assets are also subject to impairment.

Lease liabilities :

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

Where the Company is the Lessor:

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

g Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Warranty provisions

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The initial estimate of such warranty-related costs is revised annually.

h Foreign Currency Transactions and Translation

These financial statements are presented in Indian rupees, which is the functional currency of the Company.

Initial Recognition

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

Conversion

At the end of each reporting period, Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

i Revenue from contract with customer

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as a part of the contract.

Sale of Goods

Revenue from the sale of goods is recognised when the control of the goods have passed to the buyer, usually on delivery of the goods. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as a part of the contract.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (n) Financial instruments - initial recognition and subsequent measurement.

Interest

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.

Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Revenue is recognised when the Company's right to receive the payment is established.

j Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees upto the reporting date.

k Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l 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. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. The borrowing costs are expensed in the period in which they occur.

m Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, raw materials held for production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Goods in transit is measured at cost to date as at Balance Sheet date.

n Financial instruments

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

Financial Assets

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component, company initially measures all financial assets 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. Trade Receivables that do not contain a significant financing component are measured at transaction price as disclosed in section (i) Revenue from contract with customers. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Financial assets at amortised cost
- Financial assets including derivatives at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVTOCI)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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 rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

Financial Assets at FVTOCI

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial asset at FVTPL

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Financial asset included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

The Company does not hold any equity investments.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) 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 or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

On derecognition of a financial asset in its entirety, the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the statement of profit and loss.

Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS115.

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

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

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

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. net of all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

ECL impairment loss allowance (or reversal) recognised during the year is recorded in the statement of profit and loss. The amount is reflected under the head 'Other expenses / income' in the statement of profit and loss.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. The Company does not have any financial liabilities which are held for trading. Nor it has designated any financial liability as FVTPL.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings, trade payables and other financial liabilities.

Derecognition

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

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.

o Earnings per Share

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

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

p Current versus non-current classification: The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is treated as current when it is

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

q Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

r **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.

1.1 **Significant accounting judgements, estimates and assumptions**

The preparation of financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in following notes :

- i) **Useful lives of Property, plant and equipment** - The Company reviews the useful lives of property, plant and equipment at the end of each reporting period. The useful life of property plant and equipment is determined by the Company based on past experience and internal technical evaluation.
- ii) **Provision for product warranty** : The Company recognises provision for warranties in respect of the products that it sells. These are reviewed at each balance sheet date and adjusted to reflect the current estimates. A provision is recognised for expected warranty claims on products sold during the year, based on past experience of the level of repairs. It is expected that most of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties are based on current sales levels and past trend of the warranty expenses.
- iii) **Estimation of defined benefit obligation** : A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service.

iv) **Provision against obsolete and slow-moving inventories**

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value which is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale for such inventories. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each balance sheet date.

v) **Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 2 - PROPERTY, PLANT AND EQUIPMENT

	Leasehold land	Freehold land	Buildings	Plant and Machinery and Electrical Fittings	Furniture and Fixtures	Office Equipment	Motor Vehicles	R & D - Building	R & D - Plant and Machinery and Electrical Fittings	R & D - Furniture and Fixture	R & D - Office Equipment	TOTAL
Cost												
As at 1st April, 2021	440.53	1,248.50	10,412.84	19,264.63	646.98	511.85	270.37	157.08	657.46	86.86	44.17	33,741.27
Additions	-	-	149.38	855.50	11.19	24.79	-	-	-	-	-	1,040.86
Disposals	-	-	24.83	0.99	6.86	1.75	8.21	-	-	-	-	42.64
As at 31st March, 2022	440.53	1,248.50	10,537.39	20,119.14	651.31	534.89	262.16	157.08	657.46	86.86	44.17	34,739.49
Additions	-	-	46.38	87.41	3.15	13.67	-	-	0.00	-	-	150.61
Disposals	-	-	11.57	123.71	10.00	21.72	51.41	-	8.74	0.48	4.71	232.34
As at 31st March, 2023	440.53	1,248.50	10,572.20	20,082.84	644.46	526.84	210.75	157.08	648.72	86.38	39.46	34,657.76
Accumulated Depreciation												
As at 1st April, 2021	136.37	-	5,953.35	16,930.32	602.37	441.67	212.09	108.71	602.50	83.07	40.89	25,111.34
Charge for the year	5.48	-	309.77	339.53	5.87	17.88	9.91	2.48	10.78	-	1.31	703.01
Disposals	-	-	10.65	0.58	6.35	1.68	7.81	-	-	-	-	27.07
As at 31st March, 2022	141.85	-	6,252.47	17,269.27	601.89	457.87	214.19	111.19	613.28	83.07	42.20	25,787.28
Charge for the year	5.48	-	309.60	351.94	5.79	21.65	9.89	2.48	5.76	-	-	712.59
Disposals	-	-	10.92	118.06	9.82	20.63	35.23	-	8.38	0.48	4.48	208.00
As at 31st March, 2023	147.33	-	6,551.15	17,503.15	597.86	458.89	188.85	113.67	610.66	82.59	37.72	26,291.87
Net Block												
As at 31st March, 2022	298.68	1,248.50	4,284.92	2,849.87	49.42	77.02	47.97	45.89	44.18	3.79	1.97	8,952.21
As at 31st March, 2023	293.20	1,248.50	4,021.05	2,579.69	46.60	67.95	21.90	43.41	38.06	3.79	1.74	8,365.89

Notes:

- Refer Note 16 and 21 for details of assets given as mortgage against borrowings.
- The Company has not revalued any of its Property, Plant and Equipments during the year.
- The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

NOTE 2A - CAPITAL WORK IN PROGRESS

	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
As at 1st April, 2021	522.72	-	-	-	522.72
Additions	40.59	-	-	-	40.59
Capitalised during the year	522.72	-	-	-	522.72
As at 31st March, 2022	40.59	-	-	-	40.59
Additions	22.89	27.97	-	-	50.86
Capitalised during the year	17.53	-	-	-	17.53
As at 31st March, 2023	45.95	27.97	-	-	73.92

Notes:

- Work in progress as at 31st March, 2023 mainly comprises of amount for AC gas charging line and expansion of LED line-2 project. Work in progress as at 31st March, 2022 comprises of AC gas charging line project.
- For Capital work-in-progress no project has exceeded its cost. Further, completion is not overdue as compared to its original plan for any of the projects.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 2B - RIGHT OF USE ASSETS		₹ in lakhs	
	Premises	TOTAL	
Cost			
As at 1st April, 2021	-	-	-
Additions	310.13	310.13	310.13
Disposals	-	-	-
As at 31st March, 2022	310.13	310.13	310.13
Additions	285.57	285.57	285.57
Adjustments during the year (Refer note below)	28.26	28.26	28.26
As at 31st March, 2023	567.44	567.44	567.44
Accumulated Amortisation			
As at 1st April, 2021	-	-	-
Charge for the year	68.92	68.92	68.92
Disposals	-	-	-
As at 31st March, 2022	68.92	68.92	68.92
Charge for the year	185.86	185.86	185.86
Disposals	-	-	-
As at 31st March, 2023	254.78	254.78	254.78
Net Block			
As at 31st March, 2022	241.21	241.21	241.21
As at 31st March, 2023	312.66	312.66	312.66

Note : The adjustment is on account of changes in terms & conditions of lease contracts entered into with the Landlord.

NOTE 3 - INTANGIBLE ASSETS		₹ in lakhs	
	R&D Software	Other Software	TOTAL
Cost			
As at 1st April, 2021	66.92	31.10	98.02
Additions	-	0.60	0.60
Disposals	-	-	-
As at 31st March, 2022	66.92	31.70	98.62
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2023	66.92	31.70	98.62
Accumulated Amortisation			
As at 1st April, 2021	63.95	9.86	73.81
Charge for the year	-	4.94	4.94
Disposals	-	-	-
As at 31st March, 2022	63.95	14.80	78.75
Charge for the year	-	5.11	5.11
Disposals	-	-	-
As at 31st March, 2023	63.95	19.91	83.86
Net Block			
As at 31st March, 2022	2.97	16.90	19.87
As at 31st March, 2023	2.97	11.79	14.76

Notes :

- i. Intangible assets comprises of software used in research and development.
- ii. The Company has not revalued any of its intangible assets during the year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 4 - NON-CURRENT INVESTMENTS

	31st March, 2023		31st March, 2022	
	Nos.	₹ in lakhs	Nos.	₹ in lakhs
Unquoted Investment carried at amortised cost				
Adonis Electronics Private Limited (0.01% Cumulative redeemable preference shares of ₹10 each, fully paid up)	2,648	334.69	2,648	334.69
Less : Impairment provision		(334.69)		(334.69)
		-		-
Unquoted Investment carried at fair value through Profit and Loss				
Aditya Birla Sun Life Savings Fund - Daily ICDW - Regular plan	1,12,594.64	112.60	1,06,863.46	107.44
Aditya Birla Sun Life Savings Fund - Growth - Regular plan	6,498	30.15	6,498	28.61
		142.75		136.05
Investment carried at amortised cost		-		-
Market Value of unquoted Investments		142.75		136.05
Aggregate Carrying Value (NAV) of unquoted Investments		142.75		136.05

NOTE 5 - OTHER NON CURRENT - FINANCIAL ASSETS

	31st March, 2023		31st March, 2022	
	₹ in lakhs		₹ in lakhs	
Security deposits carried at amortised costs				
Considered good	847.72		934.87	
Credit impaired	9.67		-	
		9.67		-
Less : Allowance for expected loss		9.67		-
		847.72		934.87

NOTE 6 - INCOME TAX ASSETS (NET)

	31st March, 2023		31st March, 2022	
	₹ in lakhs		₹ in lakhs	
Advance Income-tax [Net of Provisions of ₹ 76.05 Lakhs (as at 31st March, 2022 : ₹ 77.68 lakhs)]		305.80		276.87
		305.80		276.87

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 7 - OTHER NON-CURRENT ASSETS

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Unsecured, considered good		
Deferred rent expenses	0.09	0.12
Other Advances		
Balance with Government Authorities	3,519.64	2,646.48
Prepaid Expenses	23.42	16.45
Advance paid to Vendors	628.66	-
	4,171.81	2,663.05

NOTE 8 - INVENTORIES

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Raw materials and components (at cost) [includes Goods in transit ₹ 481.43 lakhs (as at 31st March, 2022 : ₹ 600.33 lakhs)]	14,710.58	22,743.71
Stores and Spares	280.44	265.49
Work-in-Progress (at cost)	1,803.00	4,785.48
Finished Goods (at lower of cost and net realisable value)	5,048.17	11,186.65
Traded Goods	5,416.21	3,446.70
	27,258.40	42,428.03

The Company has availed working capital facilities and other non fund based facilities viz. bank guarantees, and letter of credits, which are secured by hypothecation of inventories (Refer Note 16 and 21).

During the year ended 31st March, 2023 ₹ 439.42 Lakhs (31st March, 2022 : ₹ 1,874.30 Lakhs) was recognised as an expense for inventories carried at net realisable value.

NOTE 9 - TRADE RECEIVABLES

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Trade Receivable	10,654.43	11,800.82
Less : Impairment allowance	1,697.26	1,578.69
Trade receivable (net)	8,957.17	10,222.13
Breakup of security details		
Unsecured, considered good	8,957.17	10,222.13
Trade Receivable - credit impaired	1,697.26	1,578.69
	10,654.43	11,800.82
Less : Impairment allowance	1,697.26	1,578.69
	8,957.17	10,222.13

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Movement in the expected credit loss allowance

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Balance at the beginning of the year	1,578.69	2,407.99
Less : Written off during the year	(168.55)	(1,026.96)
Add : Allowance during the year	287.12	197.66
Balance at the end of the year	1,697.26	1,578.69

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner and a director or a member. Trade receivables are non interest bearing and are generally on terms of 28 days of credit period. For credit risk relating to trade receivables, refer note 43

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Trade receivables	8,957.17	10,222.13
Receivables from related parties	-	-
	8,957.17	10,222.13

Breakup for security details

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Secured, considered good	-	-
Unsecured, considered good	8,957.17	10,222.13
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	1,697.26	1,578.69
Total (A)	10,654.43	11,800.82

Impairment Allowance (allowance for bad and doubtful debts)

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Unsecured, considered good	-	-
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	1,697.26	1,578.69
Total (B)	1,697.26	1,578.69
Net Trade receivables (C) = (A) - (B)	8,957.17	10,222.13

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

TRADE RECEIVABLES AGEING

₹ in lakhs

	Outstanding for following periods from due date of receipt 31st March, 2023						Total
	Current but not due	Less than 6 months	6 months - 1 Years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	3,717.25	4,784.99	376.19	68.11	10.63	-	8,957.17
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	24.66	109.31	153.07	81.44	827.57	1,196.05
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	501.21	501.21
Total	3,717.25	4,809.65	485.50	221.18	92.07	1,328.78	10,654.43
Less : Allowance for trade receivable which have significant increase in credit risk / credit impaired							1,697.26
							8,957.17

₹ in lakhs

	Outstanding for following periods from due date of receipt 31st March, 2022						Total
	Current but not due	Less than 6 months	6 months - 1 Years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	8,684.57	1,289.83	46.13	112.25	78.58	10.77	10,222.13
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	62.98	27.40	188.77	235.73	1,059.18	1,574.06
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	4.63	-	-	4.63
Total	8,684.57	1,352.81	73.53	305.65	314.31	1,069.95	11,800.82
Less : Allowance for trade receivable which have significant increase in credit risk / credit impaired							1,578.69
							10,222.13

Note : There are no unbilled dues for the reporting periods.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 10 - CASH AND CASH EQUIVALENTS

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Balance with Banks		
- On Current Account	31.37	50.58
Cash in hand	1.65	1.53
Cheques on hand	353.69	512.28
	386.71	564.39

NOTE 11 - OTHER BANK BALANCES

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Fixed Deposits with Banks given as margin money	672.84	1,213.53
	672.84	1,213.53

NOTE 12 - OTHER CURRENT FINANCIAL ASSETS - At amortised cost, unless otherwise stated

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Credit impaired		
Insurance claims receivable	20.00	20.00
Less : Provision for doubtful claim	20.00	-
	-	20
Unsecured, considered good		
Interest accrued	7.83	25.92
Other Receivables	192.03	333.30
Less : Provision for doubtful receivables	13.42	-
	178.61	333.30
	186.44	379.22

NOTE 13 - OTHER CURRENT ASSETS

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Unsecured, considered good		
Balance with Government authorities	332.57	386.16
Prepaid expenses	228.29	202.18
Capital advances	-	4.10
Advance paid to vendors	702.03	1,776.04
Deferred rent expenses	0.59	0.57
	1,263.48	2,369.05

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 14 - EQUITY SHARE CAPITAL

	31st March, 2023		31st March, 2022	
	₹ in lakhs		₹ in lakhs	
Authorised :				
57,80,20,000 Equity Shares of ₹1 each (31st March, 2022 : 57,80,20,000 Equity Shares of ₹1 each)	5,780.20		5,780.20	
10,000 8% Cumulative Redeemable Preference Shares of ₹100 each (31st March, 2022 : 10,000 8% Cumulative Redeemable Preference Shares of ₹100 each)	10.00		10.00	
10,00,000 11% Non-Cumulative Redeemable Preference Shares of ₹100 each (31st March, 2022 : 10,00,000 11% Non-Cumulative Redeemable Preference Shares of ₹100 each)	1,000.00		1,000.00	
Issued, Subscribed and Paid Up :				
23,09,52,619 Equity Shares of ₹1 each fully paid up (31st March, 2022 : 23,09,52,619 Equity Shares of ₹1 each fully paid up)	2,309.53		2,309.53	
Add : 2,48,000 Forfeited Equity Shares of ₹1 each partly paid up (31st March, 2022 : 2,48,000 Forfeited Equity Shares of ₹1 each partly paid up)	1.86		1.86	
	2,311.39		2,311.39	
	2,311.39		2,311.39	

(a) Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting year

	31st March, 2023		31st March, 2022	
	No. in lakhs	₹ in lakhs	No. in lakhs	₹ in lakhs
Fully paid up shares				
At the beginning of the year	2,309.53	2,309.53	2,309.53	2,309.53
At the end of the year	2,309.53	2,309.53	2,309.53	2,309.53
Forfeited Equity shares				
At the beginning of the year	2.48	1.86	2.48	1.86
At the end of the year	2.48	1.86	2.48	1.86
	2,312.01	2,311.39	2,312.01	2,311.39

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

(b) Terms and rights attached to Equity Shares

The Company has only one class of equity shares having par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any on the equity shares is recommended by the Board and approved by the shareholders at the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31st March, 2023.

(d) Details of Shareholders holding more than 5 % shares in the Company:

Name of the Shareholder	31st March, 2023		31st March, 2022	
	No. in lakhs	% holding in the class	No. in lakhs	% holding in the class
Mr. Gulu L. Mirchandani	470.96	20.39	470.96	20.39
Gulita Securities Limited	272.27	11.79	272.27	11.79
Mr. V.J. Mansukhani	263.36	11.40	263.36	11.40
IIFL Investment Adviser & Trustee Services Limited (Formerly IIFL Trustee Services Limited) (Beneficial owner Mr.Vijay J. Mansukhani)	141.75	6.14	141.75	6.14

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

(e) Promoter Shareholding

Name of the Promoter	31st March, 2023			31st March, 2022		
	No. in lakhs	% holding in the class	% Change during the year	No. in lakhs	% holding in the class	% Change during the year
Mr. Gulu L. Mirchandani	470.96	20.39%	-	470.96	20.39%	-
Mr. V.J. Mansukhani	263.36	11.40%	-	263.36	11.40%	-
Mrs. Gita G. Mirchandani	78.80	3.41%	-	78.80	3.41%	-
Mr.Kaval G. Mirchandani	0.49	0.02%	-	0.49	0.02%	-
Mr. Sasha G. Mirchandani	0.06	0.00%	-	0.06	0.00%	-
Iifl Investment Adviser & Trustee Services Ltd	272.27	11.79%	-	272.27	11.79%	-
Adino Electronics Ltd	141.75	6.14%	-	141.75	6.14%	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 15 - OTHER EQUITY

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Capital Reserve	2,016.06	2,016.06
Capital Redemption Reserve	1,990.74	1,990.74
Securities Premium Account	11,748.64	11,748.64
General Reserve	7,092.91	7,092.91
Retained earnings		
Balance as per last Balance Sheet	(4,834.87)	(2,809.23)
Add : Profit/(Loss) for the year	(1,246.79)	(2,007.14)
Add : Other comprehensive loss (net of tax)	6.62	(18.50)
	(6,075.04)	(4,834.87)
	16,773.31	18,013.48

Nature and purpose of Reserves

Capital Reserve : The amount is largely on account of forfeiture of money received againsts share warrants and reduction in share capital.

Capital Redemption Reserve : The capital redemption reserve was created for buyback / redemption of shares.

Securities Premium Account : Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve : The general reserves comprises of transfer of profits from retained earnings for appropriation purposes. The reserves can be distributed / utilised by the Company in accordance with the provision of Companies Act, 2013.

NOTE 16 - NON CURRENT BORROWINGS - At amortised cost

	Effective Interest rate %	Maturity	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Secured				
Term Loan - ₹2,000 lakhs from Aditya Birla Finance Limited	11.85 %	15th September, 2023	264.76	794.18
Term Loan - ₹ 2,333 lakhs from Aditya Birla Finance Limited	11.10%	1st July, 2028	2,224.80	-
GECL Loan - ₹ 500 lakhs from Canara Bank	7.95% - 8.25%	24th August, 2026	427.08	500.00
GECL Loan - ₹ 420 lakhs from Canara Bank 2.0	7.85%	23rd March, 2028	420.00	420.00
GECL Loan - ₹112 lakhs from IDBI Bank	8.60%	28th February, 2026	81.40	109.65
GECL Loan - ₹ 670 lakhs from SBI Bank	7.95% - 9.25%	30th June, 2026	558.33	670.00
CCECL Loan - ₹350 lakhs from SBI	6.95%	30th June, 2022	-	50.00
Less : Current maturities of long term debt (refer note 21)			(2,810.20)	(1,081.29)
			1,166.17	1,462.54

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Security and rate of interest	Repayment terms
<p>Term loan from Aditya Birla Finance Limited is secured by registered mortgage of company's immovable property situated at Andheri East named as Mukund Mahal and subservient charge on all current assets of the Company.</p> <p>Long Term Reference Rate of ABFL (LTRR) +/- spread. Rate of Interest as on 31st March, 2023 is 11.85%.</p>	<p>Quarterly in equal instalments of ₹50 lakhs upto 15th September, 2023 and there after in quarterly equal instalment of ₹133.33 lakhs upto 15th September, 2023. Last instalment is due on 15th September, 2023.</p>
<p>Term loan from Aditya Birla Finance Limited is secured by registered mortgage of company's immovable property situated at Andheri East named as Mukund Mahal and subservient charge on all current assets of the Company.</p> <p>Long Term Reference Rate of ABFL (LTRR) +/- spread. Rate of Interest as on 31st March, 2023 is 11.10%.</p>	<p>Monthly in equal instalments of ₹10.10 lakhs upto 1st October, 2022 and there after in monthly equal instalment of ₹12.92 lakhs upto 1st October, 2022 and thereafter in monthly equal instalment of ₹ 13.01 upto 1st July, 2023 and thereafter in monthly equal instalment of ₹ 26.02 upto 1st July,2025 and thereafter in monthly equal instalment of ₹ 39.03 lakhs upto 1st July, 2027. Last instalment is due on 1st July, 2028 of ₹52.04 lakhs.</p>
<p>GECL loan from Canara Bank is covid special loan taken at reduced interest rate of 7.95% p.a. and secured by second pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Wada, Roorkee and immovable properties at Vasai.</p>	<p>GECL loan from Canara Bank is payable in 48 instalments of ₹10.42 lakhs per month starting from September 2022.</p>
<p>GECL loan from Canara Bank 2.0 is covid special loan taken at reduced interest rate of 7.85% p.a. and secured by second pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Wada Roorkee and immovable properties at Vasai.</p>	<p>GECL loan 2.0 from Canara Bank is payable in 48 instalments of ₹8.75 lakhs per month starting from April 2024.</p>
<p>GECL loan from IDBI Bank is covid special loan taken at reduced interest rate of 8.80% p.a. and secured by second pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Roorkee and immovable properties at Vasai.</p>	<p>GECL loan from IDBI bank is payable in 47 instalments of ₹ 2.35 lakhs per month .</p>
<p>GECL loan from SBI is covid special loan taken at reduced interest rate of 7.95% p.a. and secured by second pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Wada, Onida House and Chiplun and immovable properties at Vasai.</p>	<p>GECL loan from SBI is payable in 48 instalments of ₹13.95 lakhs per month starting from June 2022.</p>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 17 - LEASE LIABILITIES

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Opening Balance	63.07	-
Additions during the year	289.39	78.84
Finance cost	24.70	4.23
Payment of Lease Liabilities	(139.01)	(20.00)
Closing Balance	238.15	63.07
Non Current	119.15	37.61
Current	119.00	25.46

The following are the amounts recognised in profit or loss:

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Depreciation expense of right-of-use assets	185.86	68.92
Interest expense on lease liabilities	24.70	4.23
Rent expenses		
- Expense relating to short-term leases (included in other expenses)	64.12	40.08
- Expense relating to leases of low-value assets (included in other expenses)	95.37	243.91
- Variable lease payments (included in other expenses)	-	-
	159.49	283.99
	370.05	357.14

Set out below are the future minimum lease rentals payments in respect of lease for offices, store premises and warehouses are as follows :

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Within one year	135.23	30.00
After one year but not more than five years	124.91	40.00
More than five years	-	-

NOTE 18 - DEFERRED TAX ASSETS (NET)

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Deferred tax liability	2,177.07	2,262.95
Deferred tax Assets (restricted to the extent of deferred tax liability)	(2,177.07)	(2,262.95)
Deferred Tax Assets (Net)	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

The following is the analysis of deferred tax liabilities/(assets) presented in the Balance sheet

FY 2022-23

₹ In Lakhs

Deferred Tax Liability / (asset) in relation to	Opening Balance	Charge for the year		Closing Balance
		Profit and Loss	Other Comprehensive income	
Deferred Tax Liability				
Fixed Assets:- Impact of difference between tax Depreciation and Depreciation / amortisation charged for the financial year	2,262.95	(85.88)	-	2,177.07
	2,262.95	(85.88)	-	2,177.07
Deferred Tax Assets				
Impact of expenditure charged to the statement of Profit and loss but allowed for tax purposes on payment basis	(131.87)	(291.48)	-	(423.35)
Allowance on trade receivables	(551.59)	(41.43)	-	(593.02)
Provision for inventory	(654.88)	87.04	-	(567.84)
Accumulated losses (restricted to the extent of deferred tax liability)	(924.61)	331.76	-	(592.85)
	(2,262.95)	85.88	-	(2,177.07)
Deferred Tax Assets (Net)	-	-	-	-

FY 2021-22

₹ In Lakhs

Deferred Tax Liability / (asset) in relation to	Opening Balance	Charge for the year		Closing Balance
		Profit and Loss	Other Comprehensive income	
Deferred Tax Liability				
Fixed Assets:- Impact of difference between tax Depreciation and Depreciation / amortisation charged for the financial year	1,723.93	539.02	-	2,262.95
	1,723.93	539.02	-	2,262.95
Deferred Tax Assets				
Impact of expenditure charged to the statement of Profit and loss but allowed for tax purposes on payment basis	(311.56)	179.69	-	(131.87)
Allowance on trade receivables	(841.35)	289.76	-	(551.59)
Provision for inventory	-	(654.88)	-	(654.88)
Accumulated losses (restricted to the extent of deferred tax liability)	(571.02)	(353.59)	-	(924.61)
	(1,723.93)	(539.02)	-	(2,262.95)
Deferred Tax Assets (Net)	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Since the Company has been incurring losses in recent past periods in addition to the carried forward losses, the Company has not recognized Deferred Tax Asset as it is not probable that sufficient future taxable profit will be available against which unused tax losses can be utilised.

Deferred tax assets are recognised only to the extent it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The Company also has tax losses and unabsorbed depreciation of ₹ 11,086.04 lakhs on which deferred tax asset is not recognised. Out of these losses, ₹ 6,015.42 lakhs does not have any expiry and ₹ 5,070.62 lakhs will expire over a period of next 8 years.

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Profit/(Loss) for the year	(1,246.79)	(2,007.14)
Indian statutory tax rate	34.94%	34.94%
Effect of unused tax losses	(1,188.59)	(459.59)
Effect of Difference in Depreciation as per books and as per Income Tax	478.11	113.43
Provision for Doubtful Debt not allowed as deduction	287.13	197.66
Expenses Disallowed (net off) u/s 43B of the Income Tax Act, 1961	423.35	148.50
Disallowances under section 40A(3) and under section 40(a)(ia) of the Income Tax Act, 1961	-	-
	<u>-</u>	<u>-</u>

NOTE 19 - OTHER NON CURRENT FINANCIAL LIABILITIES

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Capital Creditors	-	47.76
	<u>-</u>	<u>47.76</u>

NOTE 20 - NON CURRENT PROVISIONS

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Provision for employee benefits		
Provision for gratuity (Refer note 39)	752.03	734.17
	<u>752.03</u>	<u>734.17</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 21 - CURRENT BORROWINGS - At amortised cost

	Effective Interest rate %	Repayment Schedule	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Secured :				
Cash Credit Facility from banks	9.70% - 12.60%	On demand	3,959.20	3,277.18
Loan from NBFC - Line of Credit	11.25%	On demand	-	949.18
Current maturities of Long-term borrowings (Refer note 16)			2,810.20	1,081.29
			6,769.40	5,307.65

Details around Security

Cash Credit Facility, from banks is secured by pari passu charge in favour of the bankers by mortgage / hypothecation of Company's immovable and movable properties at Wada, Onida House and Roorkee and immovable properties at Vasai and Chiplun. Loan from NBFC is secured by Registered mortgage of Mahal Industrial Estate property of Company. The loan from NBFC is repaid during the year.

In respect of the non-current borrowings, the Company has to comply with certain debt covenants as per the terms of issue of one of the term loans. As at the end of the reporting year, the Company has not met the debt covenants as required by the sanctioned letter. Hence the Company has classified an amount of ₹1,964.60 lakhs (31st March, 2022 - ₹260.54 lakhs) of non-current borrowings as a part of current borrowings as at 31st March 2023.

NOTE 22 - TRADE PAYABLES

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Acceptances	2,067.43	3,919.22
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 45)	282.30	238.08
Total outstanding dues of creditors other than micro enterprises and small enterprises	19,091.42	34,188.08
	21,441.15	38,345.38

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Trade payables	21,441.15	38,345.38
Trade payables to related parties	-	-
	21,441.15	38,345.38

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

TRADE PAYABLES AGEING

₹ In Lakhs

	Outstanding for following periods from due date of payment					Total
	31st March, 2023					
	Not due	Less Than 1 Year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	80.76	201.16	0.38	-	-	282.30
Undisputed dues - Others	4065.90	14837.32	2,177.35	28.60	44.81	21,153.98
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	4.87	4.87
	4,146.66	15,038.48	2,177.73	28.60	49.68	21,441.15

₹ In Lakhs

	Outstanding for following periods from due date of payment					Total
	31st March, 2022					
	Not due	Less Than 1 Year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	-	182.73	50.99	4.36	-	238.08
Undisputed dues - Others	2939.22	34787.26	277.43	52.51	46.01	38,102.43
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	4.87	4.87
	2,939.22	34,969.99	328.42	56.87	50.88	38,345.38

Trade payables includes acceptances which represents amount payable to banks on due date as per usance period of letter of credit (LC's) issued to material vendors under non fund based working capital facility approved by banks for the Company. The arrangements are interest bearing with a maturity ranging from 0 to 90 days. All other trade payables are non interest bearing and are normally settled on 30 days terms. For liquidity risk related to trade payables refer note 43.

NOTE 23 - OTHER CURRENT FINANCIAL LIABILITIES

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Interest accrued and not due on borrowings	11.86	25.13
Others payables		
Dealer Deposits	410.11	417.94
Employee Benefits	874.58	890.08
Capital creditors	655.82	547.40
Others	0.14	-
	1,940.65	1,855.42
	1,952.51	1,880.55

NOTE 24 - OTHER CURRENT LIABILITIES

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Advances from Customers	398.92	359.34
Statutory Dues	667.79	1,395.73
Others	7.45	7.95
	1,074.16	1,763.02

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 25 - CURRENT PROVISIONS

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Provision for employee benefits		
Gratuity (refer note 39)	140.32	130.91
Leave encashment	229.45	269.20
Provision for warranty	84.34	111.95
	454.11	512.06
Provision for warranty		
Opening balance	111.95	130.46
Add : Additions during the year	84.34	111.95
Less : Utilised during the year	111.95	130.46
Closing balance	84.34	111.95

The Company recognises provision for warranties in respect of the products that it sells. These are reviewed at each balance sheet date and adjusted to reflect the current estimates. A provision is recognised for expected warranty claims on products sold during the year, based on past experience of the level of repairs. It is expected that most of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties are based on current sales levels and past trend of the warranty expenses.

NOTE 26 - REVENUE FROM OPERATIONS

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Sale of Products (net of discounts and rebates)		
Finished Goods	83,888.91	95,740.00
Traded Goods	26,798.47	23,320.86
	1,10,687.38	1,19,060.86
Other operating revenue		
Sale of Scrap	71.27	40.43
Service Income	101.36	47.32
Liabilities written back	48.78	28.67
Job work	69.10	21.87
Others	44.61	18.05
	335.12	156.34
	1,11,022.50	1,19,217.20

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 27 - OTHER INCOME

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Interest Income on :		
Financial Assets held at Amortised cost		
Interest income on financial assets	79.38	77.39
Financial Assets carried at fair value through Profit & Loss		
Interest income on Deposits	47.10	76.11
Rental Income	18.00	-
Dividend from Mutual Funds	9.29	4.47
Sales tax refund	4.44	-
Profit on sale of property, plant and equipment	85.83	375.33
	244.04	533.30

NOTE 28 - COST OF RAW MATERIALS AND COMPONENTS CONSUMED

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Inventory at the beginning of the year	22,743.71	17,641.62
Add : Purchases during the year	56,579.87	91,427.47
	79,323.58	1,09,069.09
Less : Inventory at the end of the year	14,710.58	22,743.71
	64,613.00	86,325.38

NOTE 29 - PURCHASES OF TRADED GOODS

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Display Devices	375.37	1,467.40
Washing Machines	3,529.82	2,046.70
Refrigerators	1,266.46	2,189.56
Air Conditioners	18,306.81	13,364.54
Microwave Ovens	34.93	540.51
Others	690.05	303.94
	24,203.44	19,912.65

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 30 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Inventory at the beginning of the year		
Finished Goods	11,186.65	3,398.63
Work in Progress	4,785.48	7,056.61
Traded Goods	3,446.70	7,083.06
	19,418.83	17,538.30
Less : Inventory at the end of the year		
Finished Goods	5,048.17	11,186.65
Work in Progress	1,803.00	4,785.48
Traded Goods	5,416.21	3,446.70
	12,267.38	19,418.83
	7,151.45	(1,880.53)

NOTE 31 - EMPLOYEE BENEFITS EXPENSE

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Salaries, Wages and Bonus	5,946.93	5,479.02
Contribution to Provident Fund and Other Funds (Refer note 39)	238.33	217.89
Gratuity expense (Refer note 39)	100.47	88.68
Staff Welfare Expenses	318.46	282.66
	6,604.19	6,068.25

NOTE 32 - FINANCE COST

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Interest Expense	828.84	1,086.61
Discounting charges	87.94	106.04
Other Borrowing costs	172.87	215.79
	1,089.65	1,408.44

NOTE 33 - DEPRECIATION AND AMORTISATION EXPENSES

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Depreciation of tangible assets	712.59	703.01
Amortisation of right to use assets	185.86	68.92
Amortisation of intangible assets	5.11	4.94
	903.56	776.87

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

NOTE 34 - OTHER EXPENSES

	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
Power and Fuel	488.10	458.61
Rent	159.49	283.99
Rates and Taxes	127.33	140.74
Repairs to		
Plant and Machinery	77.23	56.67
Building	32.29	4.19
Others	412.31	288.69
	521.83	349.55
Insurance Charges	92.74	95.55
Freight and Forwarding Charges	2,472.42	2,235.91
Advertisement	608.30	779.10
Service Charges	702.92	704.89
Travelling and Conveyance	311.66	179.56
Provision for / write off - Doubtful Debts and advances	455.68	1,224.62
Less : Provision for Doubtful Debts provided earlier, now written off	168.55	1,026.96
	287.13	197.66
Exchange loss (Net)	187.97	328.36
Payment to auditor (Refer note 35)	41.00	39.25
Miscellaneous Expenses	1,947.15	1,641.80
	7,948.04	7,434.97

NOTE 35

Payment to auditor	31st March, 2023	31st March, 2022
	₹ in lakhs	₹ in lakhs
As auditor (excluding Goods and Service Tax)		
Audit fees	24.50	24.50
Tax audit fees	4.00	4.00
Limited reviews	9.00	9.00
In other capacity		
Reimbursement of expenses	3.50	1.75
	41.00	39.25

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

36 Earnings per share

	31st March, 2023 ₹ in lakhs	31st March, 2022 ₹ in lakhs
Loss attributable to equity shareholders	(1,246.79)	(2,007.14)
Number of equity shares for Basic EPS	23,09,52,619	23,09,52,619
Basic earnings per equity share (in Rupees)	(0.54)	(0.87)
Diluted earnings per equity share (in Rupees)	(0.54)	(0.87)
Face value per share (in Rupees)	1.00	1.00

37 Exceptional items

Exceptional items for the year ended 31st March, 2022 comprises of

- a. Profit of ₹162.69 lakhs on sale of residential flat at Mumbai and
- b. Provision for inventories of ₹1,874.30 lakhs.

38 Contingent Liabilities and Commitments

	31st March 2023 ₹ in lakhs	31st March 2022 ₹ in lakhs
Contingent Liabilities		
a) Guarantees given by Bank against which ₹126.49 lakhs (31st March, 2022 ₹ 86.48 lakhs) has been deposited as margin money.	387.49	371.27
b) Income tax demands in respect of which appeals have been filed	159.09	323.16
c) Excise Duty, Service Tax, VAT and Custom Duty in respect of which appeals have been filed	6,627.78	9,795.58
d) Claims made against the Company not acknowledged as debts	854.61	909.29
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	5.44

In relation to above contingent liabilities, the Company has been advised by its legal counsel that it is possible, but not probable, that the action will succeed and accordingly no provision for liability has been recognised in the financial statements.

Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

Further to the above, GST audit for the period FY 2017-2018 to FY 2021-2022 was completed and deposition letter for an amount of ₹ 1,720 lakhs (including interest of ₹ 697 lakhs) on various grounds was raised by the GST authorities on the Company. The Company has paid pre-deposit for an amount of ₹ 144 lakhs in this regard. The Company is awaiting order from the Department post which the Company would file its responses. Presently, the ultimate outcome of the matter cannot be assessed with certainty and can be determined only on receipt of judgement/conclusion at various forums/authorities.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

39 EMPLOYEE BENEFITS

a) Defined contribution plans

The Company has recognised an expense of ₹ 217.79 lakhs (31st March, 2022 : ₹ 197.05 lakhs) towards defined contribution plans, in respect of Provident Fund.

b) Defined benefit plans

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by LIC of India. Under the plan, employee at retirement is eligible for benefit which will be equal to 15 days' salary for each completed year of service.

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

	Valuation as at	
	31st March, 2023	31st March, 2022
Employee Attrition Rate	17% for service < / = 4 years 5% for service = / > 5 years	18% for service < / = 4 years 8% for service = / > 5 years
Discount rate(s)	7.39%	6.70%
Expected rate(s) of salary increase	4.00%	5.00%
Mortality table	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)

	Funded Plan Gratuity	
	31st March, 2023 ₹ in Lakhs	31st March, 2022 ₹ in Lakhs
I 1 Expense recognised in the Statement of Profit and Loss for the year ended		
Service Cost		
Current Service Cost	42.51	42.71
Net interest expense	57.96	48.50
Components of defined benefit costs recognized in profit or loss	100.47	91.21
(Less) : Transferred to Research and Development expenses	-	(4.27)
Add : Gratuity paid directly	-	1.74
Net Gratuity expenses disclosed under employee benefits expense	100.47	88.68
2 Included in other Comprehensive Income		
Actuarial (Gain) / Loss recognized for the period	(11.26)	30.03
Return on Plan Assets excluding net interest	4.64	(11.53)
Actuarial (Gain) / Loss recognized in OCI	(6.62)	18.50

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

		Funded Plan Gratuity	
		31st March, 2023 ₹in Lakhs	31st March, 2022 ₹in Lakhs
II	Net Asset/(Liability) recognised in the Balance Sheet as at		
1	Present value of defined benefit obligation as at	(919.35)	(997.07)
2	Fair value of plan assets as at	27.00	131.99
3	Surplus/(Deficit)	(892.35)	(865.08)
4	Current portion of the above	(140.32)	(130.91)
III	Change in the obligation during the year ended		
1	Present value of defined benefit obligation at the beginning of the year	997.07	935.60
2	Expenses Recognised in the statement of Profit and Loss		
	- Current Service Cost	42.51	42.71
	- Interest Expense / (Income)	66.80	59.22
3	Recognised in Other Comprehensive Income		
	Remeasurement gains / (losses)		
	Actuarial Gain / (Loss)		
	i. Demographic Assumptions	(12.84)	3.43
	ii. Financial Assumptions	(80.33)	38.65
	iii. Experience Adjustments	81.92	(12.05)
4	Benefit payments	(175.78)	(70.49)
5	Present value of defined benefit obligation at the end of the year	919.35	997.07
IV	Change in fair value of assets during the year ended		
1	Fair value of plan assets at the beginning of the year	131.99	169.36
2	Interest Income	8.84	10.72
3	Return on Plan Assets, excluding Interest Income	(4.64)	11.53
4	Contributions by employer (including benefit payments recoverable)	66.59	10.87
5	Benefit payments	(175.78)	(70.49)
6	Fair value of plan assets at the end of the year	27.00	131.99

Composition of the plan assets is as follows:

Plan asset is maintained with Life Insurance Corporation of India. In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is

₹ In lakhs

		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumptions	Decrease in assumptions
Discount Rate	31st March, 2023	1.00%	(41.48)	45.50
	31st March, 2022	1.00%	(29.74)	32.46
Salary growth Rate	31st March, 2023	1.00%	46.58	(43.17)
	31st March, 2022	1.00%	32.69	(30.48)
Withdrawal Rate	31st March, 2023	1.00%	8.02	(8.67)
	31st March, 2022	1.00%	2.23	(2.43)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Maturity profile of projected benefit obligations

₹ In lakhs

	As at 31st March, 2023	As at 31st March, 2022
1st Following Year	136.16	381.92
2nd Following Year	83.37	79.58
3rd Following Year	120.67	86.23
4th Following Year	95.87	90.19
5th Following Year	103.73	150.16
Sum of years 6 to 10	461.79	291.00
Sum of years 11 and above	394.95	209.57
	1,396.54	1,288.65

The weighted average duration of the projected benefit obligation is approximately 6 years (31st March, 2022 : 4 years). The expected contribution to be made by the Company during the financial year 2023-24 is ₹140.32 lakhs (31st, March, 2022 : ₹ 130.91 lakhs).

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow Para 139 (c) Characteristics of defined benefit plans.

40 FAIR VALUE MEASUREMENTS

Financial Assets and Financial Liabilities

The carrying value and fair value of financial instruments by categories as at 31st March, 2023 is as follows: ₹ In lakhs

	Fair Value through P&L	Fair Value through OCI	Amortised cost	Total carrying value	Total fair value
Financial Assets					
Non current					
Investments	142.75	-	-	142.75	142.75
Security Deposits	-	-	847.72	847.72	847.72
Current					
Trade receivables	-	-	8,957.17	8,957.17	8,957.17
Cash and cash equivalents	-	-	386.71	386.71	386.71
Bank balances	-	-	672.84	672.84	672.84
Other financial asset	-	-	186.44	186.44	186.44
Total	142.75	-	11,050.88	11,193.63	11,193.63
Financial liabilities					
Non current					
Borrowings (including current maturities)	-	-	3,976.37	3,976.37	3,976.37
Lease Liability	-	-	119.15	119.15	119.15
Current					
Borrowings	-	-	3,959.20	3,959.20	3,959.20
Trade payables	-	-	21,441.15	21,441.15	21,441.15
Lease Liability	-	-	119.00	119.00	119.00
Other financial liability	-	-	1,952.51	1,952.51	1,952.51
Total	-	-	31,567.38	31,567.38	31,567.38

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

The carrying value and fair value of financial instruments by categories as at 31st March, 2022 is as follows:

	Fair Value through P&L	Fair Value through OCI	Amortised cost	Total carrying value	₹ In lakhs
Financial Assets					
Non current					
Investments	136.05	-	-	136.05	136.05
Security Deposits	-	-	934.87	934.87	934.87
Current					
Trade receivables	-	-	10,222.13	10,222.13	10,222.13
Cash and cash equivalents	-	-	564.39	564.39	564.39
Bank balances	-	-	1,213.53	1,213.53	1,213.53
Other financial asset	-	-	379.22	379.22	379.22
Total	136.05	-	13,314.14	13,450.19	13,450.19
Financial liabilities					
Non current					
Borrowings (including current maturities)	-	-	2,543.83	2,543.83	2,543.83
Lease Liability	-	-	37.61	37.61	37.61
Others	-	-	47.76	47.76	47.76
Current					
Borrowings	-	-	4,226.36	4,226.36	4,226.36
Trade payables	-	-	38,345.38	38,345.38	38,345.38
Lease Liability	-	-	25.46	25.46	25.46
Other financial liability	-	-	1,880.55	1,880.55	1,880.55
Total	-	-	47,106.95	47,106.95	47,106.95

Fair Value hierarchy

The company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

Level 1: Fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

There were no transfers between Level 1 and Level 2 during the year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

₹ In lakhs				
Fair value hierarchy as at 31st March, 2023				
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non current				
Investments	-	142.75	-	142.75
Total	-	142.75	-	142.75

₹ In lakhs				
Fair value hierarchy as at 31st March, 2022				
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non current				
Investments	-	136.05	-	136.05
Total	-	136.05	-	136.05

Capital Management and Gearing ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio below 30%. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents as detailed in the notes below.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

Gearing ratio:

The gearing ratio at the end of the reporting period was as follow:

Debt-to-equity ratio are as follows:

₹ In lakhs		
	31st March, 2023	31st March, 2022
Debt (i)	7,947.43	6,795.32
Less: Cash and Bank balances	1,059.55	1,777.92
Net debt	6,887.88	5,017.40
Total Capital (ii)	19,084.70	20,324.87
Capital and net debt	25,972.58	25,342.27
Net debt to Total Capital plus net debt ratio (%)	27%	20%

Notes :

- (i) Debt is defined as long-term borrowings (including current maturities), short-term borrowings (excluding contingent considerations) and interest accrued.
- (ii) Equity is defined as equity share capital and other equity including reserves and surplus.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

41. RELATED PARTY DISCLOSURE

Names of related parties with whom transactions have taken place & description of relationship :

1. Key Management Personnel	Mr. G.L. Mirchandani - Chairman and Managing Director
	Mr. V.J. Mansukhani - Managing Director
	Mr. Kaval Mirchandani - Executive Director
	Mr. Lokesh Sikka - Whole - time Director
	Mr. Rafique Malik - Independent Director
	Mr. Carlton Pereira - Independent Director
	Mr. Arvind Sharma - Independent Director
	Ms. Mohita Arora - Independent Director (from 26th June 2020)
	Mr. G. Sundar - Chief Executive Officer (upto 30th September, 2022)
	Mr. Lalit Chendvankar - Head Corporate Affairs, Legal and Company Secretary (upto 26th June, 2021)
	Mr. Sanjay Jhawar - Chief Financial Officer (from 11th February, 2021 upto 3rd June, 2021)
	Mr. Prasad Oak - Head Corporate Affairs, Legal and Company Secretary (from 24th December, 2021)
	Mr. Deepak Sarawagi - Chief Financial Officer (from 1st December, 2021 upto 25th May, 2022)
Mr. Shailesh Kedawat - Chief Financial Officer (from 26th May, 2022 upto 9th September, 2022)	
Mr. Shirish Suvagia - Chief Financial Officer (from 11th November, 2022)	
2. Relatives of Key Management Personnel	Mrs. Gita Mirchandani (Wife of Mr.G.L. Mirchandani)
	Mr. Akshay Mansukhani (Son of Mr.V.J. Mansukhani)
	Ms. Ayesha Mansukhani (Daughter of Mr.V.J. Mansukhani)
3. Enterprise over which any person described in 1 & 2 is having significant influence	Iwai Electronics Pvt. Ltd.
	Adino Telecom Ltd.
	Gulita Wealth Advisors Pvt. Ltd.
	Adino Electronics Ltd.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

₹ in lakhs

Nature of transactions	For the Year ended	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Purchase / (purchase return) of goods, services, intangible assets and spares				
Iwai Electronics Pvt.Limited	2023	-	-	76.85
	2022	-	-	76.38
Sale of goods, spares and services				
Iwai Electronics Pvt. Limited	2023	-	-	0.34
	2022	-	-	1.75
Rent paid				
Gulita Wealth Advisors Private Limited	2023	-	-	30.00
	2022	-	-	30.00
Refund of rent deposit				
Gulita Wealth Advisors Private Limited	2023	-	-	200.00
	2022	-	-	-
Remuneration of key management personnel				
G.L. Mirchandani				
Remuneration	2023	121.63	-	-
Remuneration	2022	121.63	-	-
V.J.Mansukhani				
Remuneration	2023	121.63	-	-
Remuneration	2022	121.63	-	-
Kaval Mirchandani				
Remuneration	2023	39.63	-	-
Remuneration	2022	31.93	-	-
G. Sundar				
Remuneration	2023	128.44	-	-
Remuneration	2022	222.23	-	-
Lalit Mohan Chendvankar				
Remuneration	2023	-	-	-
Remuneration	2022	6.47	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

₹ in lakhs

Nature of transactions	For the Year ended	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Sanjay Jhawar				
Remuneration	2023	-	-	-
Remuneration	2022	11.52	-	-
Lokesh Sikka				
Remuneration	2023	49.03	-	-
Remuneration	2022	49.10	-	-
Deepak Sarawagi				
Remuneration	2023	4.91	-	-
Remuneration	2022	10.88	-	-
Prasad Oak				
Remuneration	2023	31.69	-	-
Remuneration	2022	8.50	-	-
Mr. Shailesh Kedawat				
Remuneration	2023	42.73	-	-
Remuneration	2022	-	-	-
Mr. Shirish Suvagia				
Remuneration	2023	32.31	-	-
Remuneration	2022	-	-	-
Sitting Fees				
Mr. Rafique Malik				
	2023	2.48	-	-
	2022	2.99	-	-
Mr. Carlton Pereira				
	2023	2.27	-	-
	2022	2.68	-	-
Mr. Arvind Sharma				
	2023	1.85	-	-
	2022	2.05	-	-
Ms. Mohita Arora				
	2023	1.86	-	-
	2022	1.55	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Related party balances

₹ in lakhs

Nature of Balances	Balance as on	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Receivable				
Gulita Wealth Advisors Private Limited				
Rent Deposit	2023	-	-	800.00
	2022	-	-	1,000.00
Payable				
Iwai Electronics Pvt.Limited				
Creditors	2023	-	-	4.74
	2022	-	-	17.54
Adino Electronics Limited				
Creditors	2023	-	-	0.85
	2022	-	-	0.85
Remuneration payable				
G.L. Mirchandani				
Remuneration	2023	7.63	-	-
Remuneration	2022	7.63	-	-
V.J.Mansukhani				
Remuneration	2023	10.14	-	-
Remuneration	2022	10.14	-	-
Kaval Mirchandani				
Remuneration	2023	2.66	-	-
Remuneration	2022	2.66	-	-
G. Sundar				
Remuneration	2023	-	-	-
Remuneration	2022	18.44	-	-
Lokesh Sikka				
Remuneration	2023	4.30	-	-
Remuneration	2022	5.38	-	-
Deepak Sarawagi				
Remuneration	2023	-	-	-
Remuneration	2022	2.72	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Related party balances

₹ in lakhs

Nature of Balances	Balance as on	Key management Personnel (1)	Relatives of key management personnel (2)	Enterprise over which any person described in (1) & (2) is having significant influence (3)
Prasad Oak				
Remuneration	2023	2.61	-	-
Remuneration	2022	2.61	-	-
Mr. Shirish Suvagia				
Remuneration	2023	6.92	-	-
Remuneration	2022	-	-	-
Sitting fees payable				
Mr. Rafique Malik				
	2023	0.52	-	-
	2022	0.52	-	-
Mr. Carlton Pereira				
	2023	0.41	-	-
	2022	0.41	-	-
Mr. Arvind Sharma				
	2023	0.41	-	-
	2022	0.41	-	-
Ms. Mohita Arora				
	2023	0.41	-	-
	2022	0.41	-	-
Rent Payable				
Gulita Wealth Advisors Private Limited				
	2023	-	-	2.50
	2022	-	-	2.50

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Loans to Related party

There is no loan outstanding with any related party.

42. CORPORATE SOCIAL RESPONSIBILITY

The statutory provisions of Section 135(5) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 with respect to spending in CSR activities are not applicable to the Company for the year ended 31st March, 2023.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises two types of risk: currency rate risk and interest rate risk. Financial instruments affected by market risks include loans and borrowings, deposits and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at 31st March, 2023 and 31st March, 2022. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Companies operating activities that is buying of Raw Material and Finished Goods from international buyers. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12 month period for hedges of purchases. The Company hedges its exposure to fluctuations on the translation into INR of its imports operations. This foreign currency risk is hedged by using foreign currency forward contracts.

Following table analyses foreign currency assets and liabilities as on balance sheet date

	31st March, 2023		31st March, 2022	
	Foreign currency in lakhs	₹ in lakhs	Foreign currency in lakhs	₹ in lakhs
Foreign currency liabilities				
In USD	4.68	383.20	52.97	3,975.66
In RMB	126.35	1,511.75	-	-
Foreign currency Assets				
In USD	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company exposure to foreign currency as on 31st March, 2023 is tabulated below.

		Effect on profit before tax	Effect on pre tax equity
31st March, 2023	Rupee depreciates by Re.1 against USD	(4.68)	(4.68)
	Rupee appreciates by Re.1 against USD	4.68	4.68
	Rupee depreciates by Re.1 against RMB	(126.35)	(126.35)
	Rupee appreciates by Re.1 against RMB	126.35	126.35
31st March, 2022	Rupee depreciates by Re.1 against USD	(52.97)	(52.97)
	Rupee appreciates by Re.1 against USD	52.97	52.97

Notes :

1. +/- Gain / Loss
2. The impact of depreciation / appreciation on foreign currency other than USD on profit before tax of the Company is not material.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's borrowings are from commercial banks to meet the working capital requirements for operation of the business. The banks generally charge the card rate to the Company based on annual appraisal by internal and external ratings. There is no major fluctuation on those interest rates charged by the bank during the period under audit.

If the interest rates had been 50 basic points higher or lower and all the other variables were held constant, the effect of interest expense for the respective financial years and consequent effect on company's profit in that financial year would have been as below

	31st March, 2023		31st March, 2022	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	703.69	629.69	885.72	804.90
Effect on profit before tax	(37.00)	37.00	(40.41)	40.41

₹in Lakhs

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

(b) Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including foreign exchange transactions. The Company generally deals with parties which has worthiness based on companys internal assessment.

₹ in Lakhs

	31st March, 2023	31st March, 2022
Trade receivable	8,957.17	10,222.13
Other financial assets	1,034.16	1,314.09

Refer Note 9 for credit risk and other information in respect of trade receivables. Other receivables as stated above are due from the parties under normal course of the business and the Company has made provision as per ECL model. The Company has not acquired any credit impaired asset. There was no modification in any financial assets

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Maturity Profile of Companies Financial Liabilities based on contractual undiscounted payments

₹ In lakhs

	0 to 1 year	1 to 5 years	> 5 years	Total
Year Ended March 2023				
Borrowings	4,819.93	2,961.51	154.13	7,935.57
Lease Liabilities	135.23	124.91	-	260.14
Trade payables	21,441.15	-	-	21,441.15
Other financial liabilities	1,952.51	-	-	1,952.51
	28,348.82	3,086.42	154.13	31,589.37
Year Ended March 2022				
Borrowings	5,022.52	1,642.66	105.00	6,770.18
Lease Liabilities	30.00	40.00	-	70.00
Trade payables	38,345.38	-	-	38,345.38
Other financial liabilities	1,880.55	47.76	-	1,928.31
	45,278.45	1,730.42	105.00	47,113.87

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

44 Segment information

The Company considers entire business under one segment i.e. Consumer Durable products. Further, there is no separately identifiable geographical segment and hence no reporting is made for segment. During the year, revenue from two customers (31st March, 2022: two) is more than 10% of total revenue.

45 Details of dues to Micro, Small and Medium enterprises as defined under the Micro Small and Medium enterprises development (MSMED) Act, 2006

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

	31st March, 2023	31st March, 2022
	₹ In lakhs	₹ In lakhs
a) Principal amount remaining unpaid as	282.30	238.08
b) Interest due thereon as on	-	-
c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
d) The amount of Interest due	-	-
e) The amount of Interest accrued	-	-
f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Amounts unpaid to Micro and small enterprises vendors on account of retention money have not been considered for the purpose of interest calculation.

46 Subsequent events

The Company has evaluated subsequent events from the balance sheet date through 26th May 2023, the date at which the financial statements were available to be issued, and determined that there are no material items to disclose other than those disclosed above.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

47 RATIOS

	Numerator	Denominator	Unit	As at 31st March 2023	As at 31st March 2022	Change during the year	Reason for variation for > 25%
Current Ratio	Current Assets	Current Liabilities	Times	1.22	1.20	2%	-
Debt Equity Ratio	Total Debt	Shareholder's Equity	Times	0.42	0.33	25%	Debt equity ratio in current year has increased due to additional loan taken of Aditya Birla Financial Limited during the year.
Debt Service Coverage Ratio	Earnings available for debt service = Net profit after taxes before exceptional items + Depreciation + Interest	Debt service = Interest and lease payments + principal repayments	Times	0.31	0.86	-64%	Debt Service Coverage Ratio has decreased due to lower profitability in current financial year as compared to previous year
Return on Equity Ratio	Net profit after tax but before exceptional items	Average Shareholder's equity	Times	-0.07	-0.01	-350%	The profitability is lower in the current financial year as compared to previous financial year.
Trade Receivable Turnover Ratio	Net credit sales	Average Accounts Receivables	Times	11.54	10.97	5%	-
Trade Payable Turnover Ratio	Net credit purchases	Average Trade payables	Times	2.97	3.36	-12%	-
Net Capital Turnover Ratio	Net Sales = Total sales - sales return	Working capital = Current assets - Current liabilities	Times	16.01	12.74	26%	Net Capital turnover ratio has improved on account of reduction in working capital in the current year.
Net Profit Ratio	Net profit after tax but before exceptional items	Net Sales = Total sales - sales return	%	-1.13%	-0.25%	-354%	The profitability is lower in the current financial year as compared to previous financial year.
Return on Capital Employed	Earnings before interest and taxes and exceptional items	Capital Employed = Net worth + Total Debt + Deferred Tax Liability	%	-0.58%	4.11%	-114%	Decrease in current year due to poor operational performance
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	Times	2.75	2.68	3%	-
Return on Investment	Interest (Finance Income)	Investment	%	5.21%	4.56%	14%	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

48 OTHER STATUTORY INFORMATION

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company has balance with the below-mentioned companies struck off under section 248 of Companies Act, 2013:

₹ In Lakhs

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding		Amount of transactions		Relationship with the Struck off company, if any, to be disclosed
		As at 31st March, 2023	As at 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022	
Eolane Electronics Bangalore	Advance to Vendors	10.28	10.28	-	-	None
Dreamland Apartments Private Limited	Advance to Vendors	0.06	0.06	-	-	None
Service Wonder Electronics Pvt Ltd	Trade Payables	0.14	-	0.14	-	None
Service Wonder Electronics Pvt Ltd	Trade Receivable	1.00	-	-	-	None
H.T.L Logistics India Private Limited	Advance to Vendors	-	5.69	5.69	-	None
Universal Corporation Ltd	Trade Payables	-	-	0.84	-	None

- c) The Company do not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period,
- d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- g) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

- h) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- i) The Company has not entered into any scheme of arrangements as approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013.
- j) The Company does not have any subsidiary, associate or joint ventures and hence compliance under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017 is not applicable.
- k) The Company has been sanctioned working capital limits in excess of rupees five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company.

49 Previous years' figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number 324982E/E300003

per **Firoz Pradhan**
Partner
Membership No.109360

Place : Mumbai
Date : 26th May, 2023

For and on behalf of the Board of Directors of

MIRC Electronics Limited

G.L. Mirchandani
Chairman and Managing Director
DIN : 00026664

Prasad Oak
Head - Corporate Affairs, Legal and
Company Secretary

Place : Haridwar
Date : 26th May, 2023

V.J.Mansukhani
Managing Director
DIN : 01041809

Kaval Mirchandani
Whole-time Director
DIN : 01179978

Shirish Suvagia
Whole-time Director and Chief Financial Officer
DIN : 10095690

Place : Mumbai
Date : 26th May, 2023



MIRC ELECTRONICS LIMITED

Onida House, G-1, MIDC, Mahakali Caves Road,
Andheri (East), Mumbai:-400 093