Dixon®
The brand behind brands

Dixon Technologies (India) Ltd.

13th September, 2022

To Secretary Listing Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	To Secretary Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai – 400 051
Scrip Code – 540699 **ISIN: INE935N01020**	**Scrip Code - DIXON** **ISIN: INE935N01020**

Sub: Corrigendum to the Annual Report for the financial year 2021-2022

Dear Sir/Madam,

The Corrigendum is being issued with reference to our letter dated August 1, 2022 wherein the Company had submitted Annual Report along with the Notice of the 29th AGM.

With reference to the captioned subject, a typographical error has come to notice of the Company in "Notes to Standalone Financial Statements" of the Annual Report in sub-note (b) of Note no. 19 i.e. "Borrowings" appearing on page no. 144 and "Notes to Consolidated Financial Statements" of the Annual Report in sub-note (b) of Note no. 20 i.e. "Borrowings" appearing on page no. 220.

It may be noted that the error is not a material error but a typographical error and it does not impact the financial statements in any manner. As soon as the typographical errors were noticed, necessary rectifications have been promptly executed. The correct Note no. 19 sub note (b) and Note no. 20 sub note (b) is attached as Annexure-I along with remarks.

The Annual report of the Company, post considering and correcting the said typographical error is enclosed herewith and also available at website of the Company at www.dixoninfo.com.

This is for your information and records.

Thanking you,

Yours faithfully,

For **DIXON TECHNOLOGIES (INDIA) LIMITED**

DIXON TECHNOLOGIES (I) LTD. B-14,15, Phase-II NOIDA

ASHISH KUMAR Digitally signed by ASHISH KUMAR Date: 2022.09.13 17:20:49 +05'30'

Ashish Kumar
Group Company Secretary, Head - Legal & HR

Encl: as above

Annexure-I

Borrowings under Note no. 19, sub-note (b) of Notes to Standalone Financial Statements on Page No. 144 of the Annual Report

b. Term loan from HDFC Bank Limited

	Particulars		**Term loan-1**	**Term loan-2**	**Term loan-3**	**Remarks**
A.	Outstanding balance current year	**Rs./Lakh**	3,577	6,000	3,389	
	Outstanding balance previous year		2,000	-	-	
B.	Rate of Interest	%	6 month MCLR+.60%	Repo Rate +1.06% with quarterly reset	Repo Rate +1.06% with quarterly reset	
C.	Terms of repayment		Repayable in 5 years including one year of moratorium followed by 20%, 20%, 30%, and 30% repayment in 2nd, 3rd, 4th and 5th year respectively	Repayable in 6.5 years including one year of moratorium followed by 10%,15%,15%,30%,20 % and 10% repayment in 2nd, 3rd, 4th ,5th,6th and 7th year respectively.	Repayable in 6 years including one and half year of moratorium followed by 10%, 15%, 15%, 30% and 30% repayment in 2nd, 3rd, 4th,5th and 6th year respectively.	
D.	Swap agreement '(Rupee loan swapped with USD loan)	USD Loan	In two parts in USD amounting USD 25 lakh and USD 25 lakh wherein company will pay interest in USD at 2.05% p.a & 2.0% p.a respectively.	In three Parts in USD amounting USD 1.745 Mn , USD 48 lakh and USD 13 lakh wherein company will pay interest in USD at 1.24% p.a , 1.38% p.a and 1.39 % p.a respectively.	USD 44 lakh wherein company will pay interest in USD at 1.38% p.a.	
		Rupee loan	Rupee Loan of Rs 1,900 Lakhs and Rs.1,876 Lakhs wherein company will receive interest in rupee at 6.0% p.a.	Rupee Loan of Rs 1,320 lakh, Rs 3,680 lakh and Rs 1,000 lakh wherein company will receive interest in rupee at 5.06% p.a.	Rupee Loan of Rs 3,389 lakh wherein company will receive interest in rupee at 5.06% p.a.	**The word Dr. Manuji Zarabi has been omitted and Rs. 1,876 shall be read as Rs. 1,876 Lakhs.**

Borrowings under Note no. 20, sub-note (b) of Notes to Consolidated Financial Statements on Page No. 220 of the Annual Report

b. Term loan from HDFC Bank Limited

	Particulars		Term loan-1	Term loan-2	Term loan-3	Term loan-4	Term loan-5	Remarks
A.	Outstanding balance current year	Rs./Lakh	3,577	6,000	3,389	5,156	3,500	
	Outstanding balance previous year		2,000	-	-	2,400	-	
B.	Rate of Interest	%	6 month MCLR+.60%	Repo Rate +1.06% with quarterly reset	Repo Rate +1.06% with quarterly reset	Rate of Interest is 6 months MCLR plus 60 BPS.	Rate of Interest is Linked with 3 Month Repo.	
C.	Terms of repayment		Repayable in 5 years including one year of moratorium followed by 20%, 20%, 30%, and 30% repayment in 2nd, 3rd, 4th and 5th year respectively	Repayable in 6 years including one and half year of moratorium followed by 10%, 15%, 15%, 30% and 30% repayment in 2nd, 3rd, 4th,5th and 6th year respectively.	Repayable in 6 years including one and half year of moratorium followed by 10%, 15%, 15%, 30% and 30% repayment in 2nd, 3rd, 4th,5th and 6th year respectively.	Repayable in 16 equal quarterly installment starting from March'22 to March'26.	Repayable in 20 equal quarterly installment starting from March'23 to March'29	
D	Swap agreement '(Rupee loan swapped with USD loan)	USD Loan	In two parts in USD amounting USD 25 lakh and USD 25 lakh wherein group will pay interest in USD at 2.05% p.a & 2.0% p.a respectively.	In three Parts in USD amounting USD 1.745 Mn , USD 48 lakh and USD 13 lakh wherein the Group will pay interest in USD at 1.24% p.a , 1.38% p.a and 1.39 % p.a respectively.	USD 44 lakh wherein group will pay interest in USD at 1.38% p.a	-	-	
		Rupee loan	Rupee Loan of Rs 1,900 Lakhs and Rs.1,876 Lakhs wherein group will receive interest in rupee at 6.0% p.a.	Rupee Loan of Rs 3,389 lakh wherein group will receive interest in rupee at 5.06% p.a.	Rupee Loan of Rs 3,389 lakh wherein group will receive interest in rupee at 5.06% p.a.	-	-	**The amount of Rs. 1,876 shall now be read as Rs. 1,876 Lakhs.**

Dixon Technologies (India) Ltd.

ANNUAL REPORT 2021-22

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The brand behind brands

Performance. Progress. Potential.

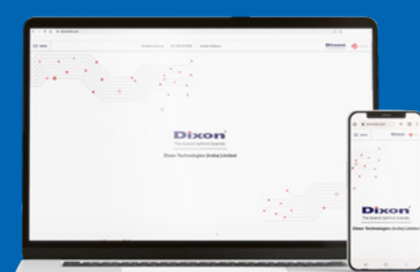
SHAPING AN ENDURING LEGACY

Content

Corporate Overview

Statutory Reports

Financial Statements



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FY 2021-22 highlights

Revenue from Operations	EBITDA	Profit After Tax
₹ 1,06,971 Million	₹ 3,829 Million	₹ 1,903 Million
66% YoY	33% YoY	19% YoY

As the Indian economy gradually gathers momentum and our country's mega consumption story begins to play out after the pandemic-induced inertia, we are seeking the right opportunities to grow with cautious optimism. We are strategically positioned, based on our strong relationships with some of the biggest multinational brands and leading domestic brands.

Over the years, we have expanded and enriched our portfolio with an amazing range of products across segments to suit the customers' changing aspirations. This puts us on a very strong footing in the industry, and shows our intrinsic potential to outperform with sustained focus on operational efficiencies.

Our cost optimisation initiatives and proven working capital management will also help us drive revenue growth, profitability and make the balance sheet even stronger.

Being one of India's most acclaimed 'brand behind brands', we are progressing with prudent strategies, and shaping an enduring legacy of value creation.

Introducing Dixon Technologies

Preferred and trusted partner of global consumer brands

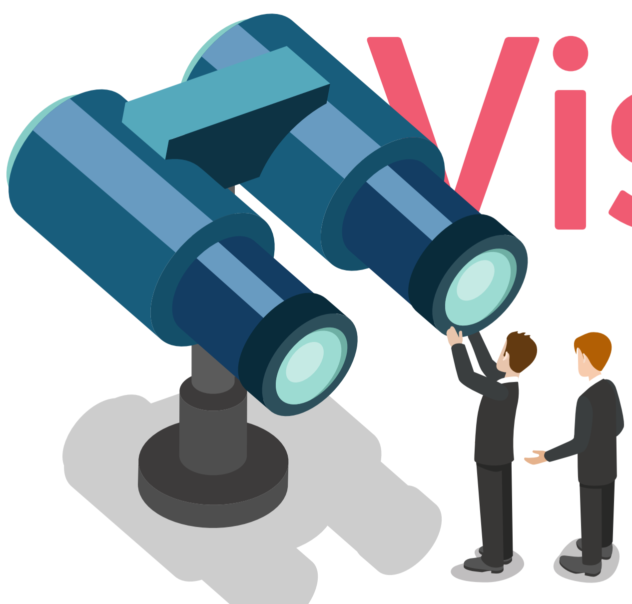
Dixon Technologies (India) Limited is one of the leading Electronic Manufacturing Services (EMS) providers in India.

Designing and developing best-in-class products for our customers worldwide, along with expanding our product portfolio into newer verticals are our key focus areas. At Dixon, we are a one-stop destination for all our customers' dynamic and changing demands.

We have been at the forefront in the EMS space owing to our strong designing and manufacturing capabilities, healthy relationships with customers in both the domestic and international markets, backward integration of key raw materials, and cost-effective pricing approach based on global sourcing.

We are a homegrown brand that provides an array of electronic manufacturing services to customers worldwide, including consumer durables, home appliances, lighting, mobile phones, security devices, set-top boxes, wearables, and medical equipment, as well as LED TV panel repair and refurbishment

Vision



To be the most preferred & trusted manufacturing & solution partner to brands operating across verticals.

Mission

Customer First
Strengthen customer partnerships by providing products and services of the greatest value through innovation and excellence.

Respect for the Individual
Emphasis on associate dignity, equality and individual growth.

Quality
Execute with excellence; drive to six-sigma capability in all key processes; exceed customer expectations.

Supplier Partnerships
Emphasize communication, training, measurement and recognition.

Business Ethics
Conduct business with uncompromising integrity.

Social Responsibility
Be an asset to the community

Creating value for all Stakeholders
Through sustainable and transparent business practices

Values

Quality (Customer's trust)
Offering innovative products and services that meet customer expectations.

Trust (nurturing relationships)
Laying the foundation of a trust-based and long-time relationship with each and every customer.

Passion (to innovate and excel)
The constant desire to come up with something bigger and better every time.

Crucial facts

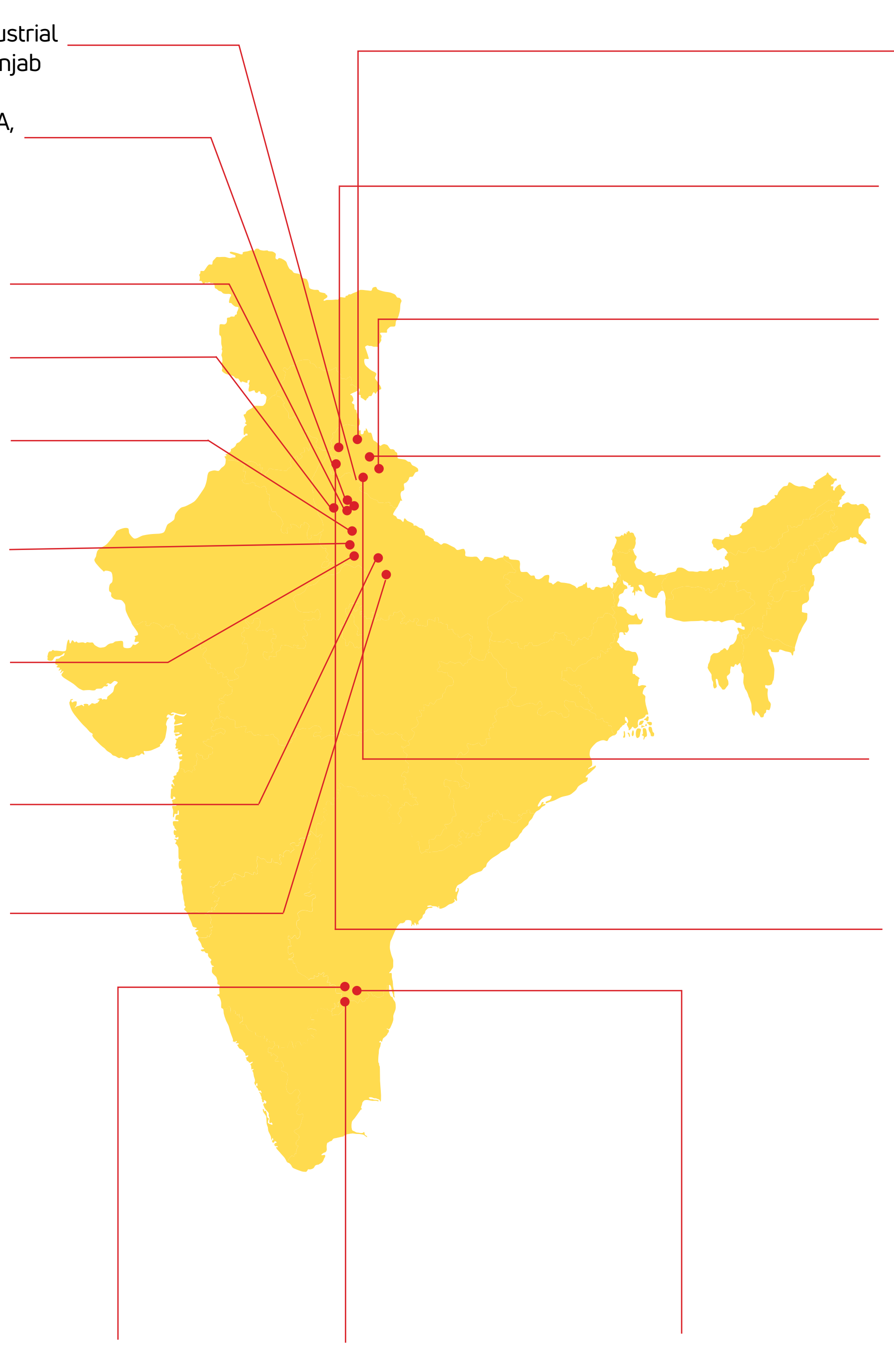
18
State-of-the-art manufacturing facilities

6
R&D centres

2528
Permanent Employees across the Group

Manufacturing presence

Strengthening our capabilities



Growth drivers

Catalysts of our business performance and progress

PLI Scheme

The PLI scheme, which was first implemented in the mobile phone industry, is now being extended to other industries. Dixon is proud recipient of approval under 5 PLI schemes i.e. lighting, mobile, IT hardware, air conditioners, wearables and hearables. Mobile Manufacturing and Specified Electronic Components has a budget of roughly ₹ 409 billion, which is much more than any other scheme.

The Production Linked Incentive Scheme for IT hardware presents a financial incentive to stimulate domestic production and attract big value-chain investments. The plan aims to encourage businesses to make use of existing installed capacity to meet rising home demand.

Atmanirbhar Bharat

This programme includes a number of sector-specific actions. The 'Make in India' project, which is part of the 'Atmanirbhar Bharat Abhiyan,' would provide the country's commercial operations with a boost by encouraging the substitution of low-technology imports from other countries and creating demand for local manufacturing.

The initiative aims to improve the electronics industry's infrastructure and deepen the electronics value chain in India. The programme provides financial incentives for electronics manufacturers to build high-quality infrastructure as well as common facilities and amenities.

Growing demand

As disposable income has increased, so has consumer demand for electronics items, particularly smart televisions, smartphones, and laptops. This surge in demand portends a promising future for the industry. A strong consumer economy and expanding demand for consumer and industrial electronics have propelled the Indian EMS sector to the forefront.

Strategic Partnership

We are constantly striving to enhance value creation through strategic partnerships. We will leverage these partnerships to strengthen our manufacturing capabilities, diversifying our offerings and venter into newer markets. They also serve as a medium to provide platform for design and manufacture of devices that are tailored to the needs of global consumers.

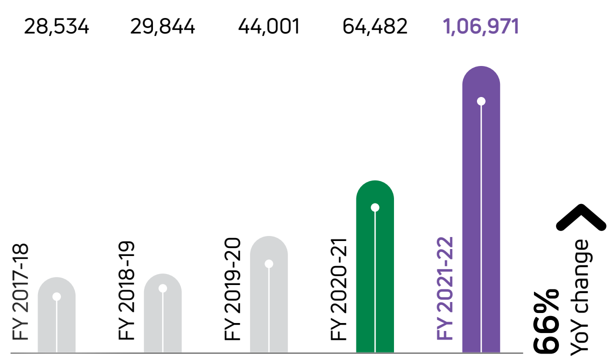
Industry 4.0

The increasing consumption of internet and connected devices is changing how the world and industries operate. Industry 4.0 aims to make manufacturing and related industries, such as logistics, faster, more efficient and more customer-centric, while at the same time going beyond automation to optimization and detect new business opportunities and models.

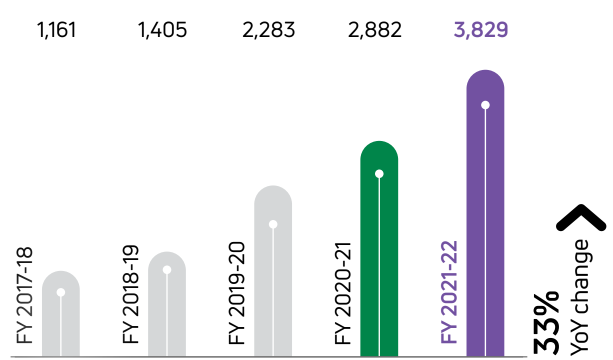
Financial highlights

Growth curve over the years

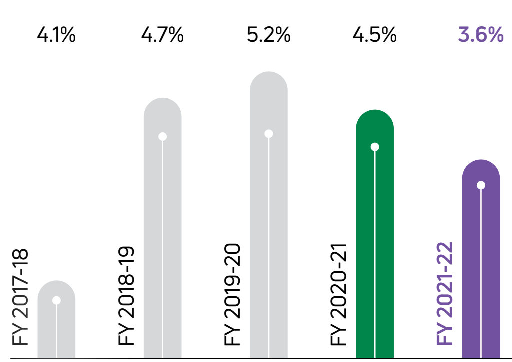
Revenue from operations
(₹ in Million)



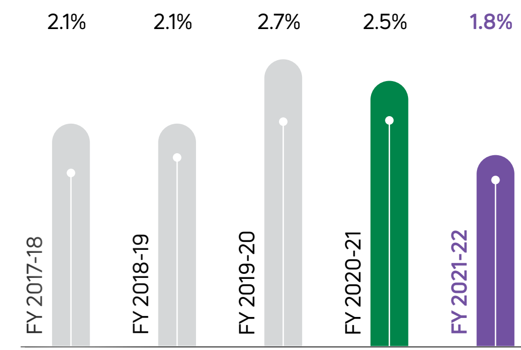
EBITDA
(₹ in Million)



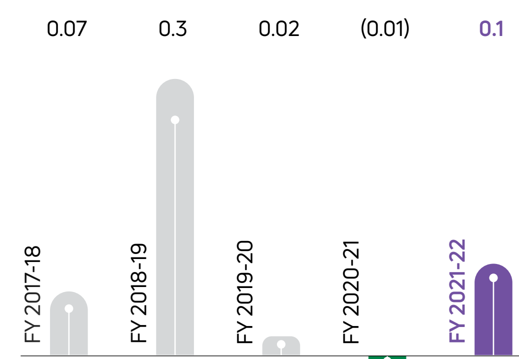
EBITDA Margin
(in %)



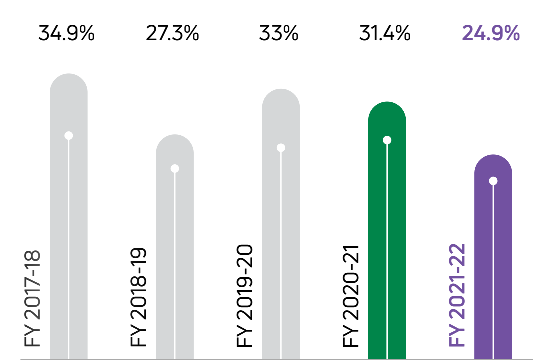
PAT margin
(in %)



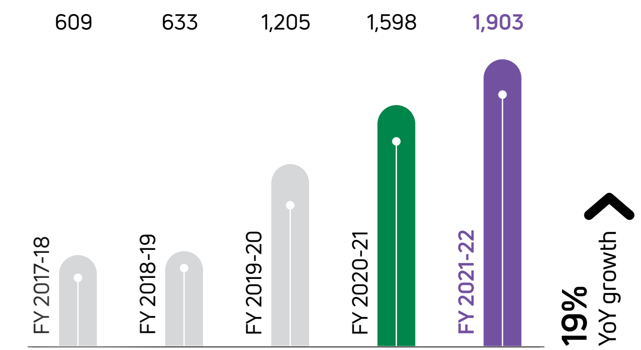
Net debt-equity ratio
(in times)



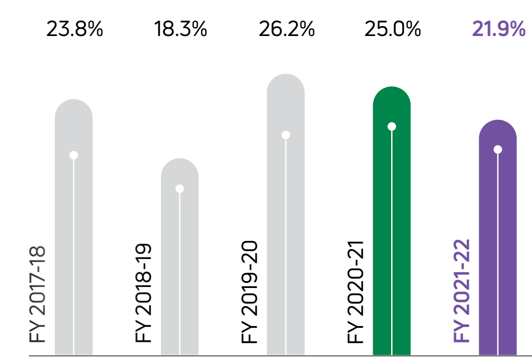
ROCE
(in %)



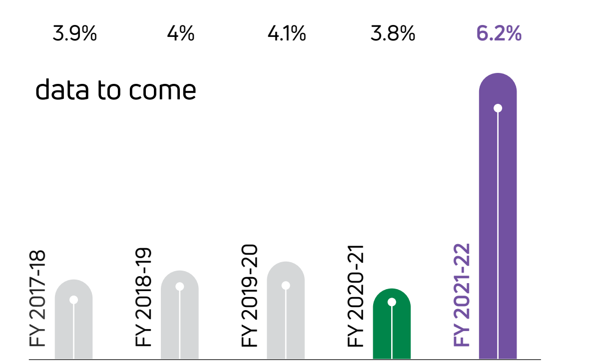
PAT
(₹ in Million)



ROE
(in %)



Dividend payout ratio (on standalone basis)
(in %)



Chairman's perspective

Dear Shareholders,

With the pandemic and its adverse impacts gradually waning, the world is geared towards a sustainable economic recovery.

There are, however, downside risks such as geopolitical concerns weighing on global supply chains and driving inflation of commodities and crude prices in particular.

The tension, however, will not have long-lasting impact on Indian industries. Inflation is expected to stabilise over the medium term, with the RBI's liquidity tightening measures. Besides, global supply chain strategies such that are aimed at diversifying businesses and operations into stable economies and geographies could expedite India's emergence as a dominant manufacturing hub from a services hub. Additionally, following a critical shortage in the supply of semiconductors due to the sudden surge in demand during the pandemic, countries such as India are looking towards attracting investments in the semiconductor space. Attractive policies, geographical advantages and low corporate tax for manufacturers make India one of the most appealing destinations for large companies to diversify into.

The Production Linked Incentive (PLI) Scheme introduced by the Government of India is expected to drive India's transformation into a global manufacturing hub by incentivising rapid expansion of manufacturing scale by various industries, and making it competitive through a robust component ecosystem, which was previously lacking. The effects of the scheme are already apparent in the consumer electronics sector with the total consumption closing in on a USD 130 billion of which USD 75 billion were indigenously manufactured.

Withing the consumer electronics space, smartphones, in particular, have one of the fastest-growing markets in India.

> "Our performance is a reflection of our potential to grow rapidly, create value for our stakeholders and contribute to making India the powerful hub for electronic hardware manufacture."

The exports, which currently stand at USD 8 billion can be expected to reach up to USD 100 billion within a span of half a decade.

Not only is Dixon right in the thick of this transformative change, it is one of the primary players leading the change. While, various government scheme and policies enable us to mitigate risks and optimise cost, our Company is set to become a formidable and globally competitive player in the market. In FY 2021-22, our Company's revenue from operations stood at ₹ 10,697 Crore, registering a growth of 66% over FY21. Our consolidated net profit saw a growth of 19% YoY to ₹ 190 Crore.

Our aim is to move towards indigenously designing and manufacturing products. Towards that end, we aspire to increase the mix of ODM products in our portfolio while maintaining our growth in OEM products. Additionally, we are venturing into OEM of laptops, wearables, hearables and consumer-end telecom products which down the lane would also witness a shift towards ODM. We also plan to foray into high-tech manufacturing of network equipment.

While we have a significant footprint in the consumer electronics space, we recognise the immense potential the IT hardware sector holds in the Indian market, where USD 5 billion worth of equipment is imported annually. Partnering with some of the most distinguished global brands, Dixon is well poised to leverage these opportunities.

Going forward, we are continually working to increase value generation through strategic collaborations. We use these alliances to boost our production skills, diversify our offerings, and expand into newer segments and markets. Collaborations with various brands and partners also serve as a platform for the design and production of products adapted to the demands of global consumers.

The growing use of the internet and interconnected devices is altering the way the society and industries work. Furthermore, our transformational shift towards Industry 4.0 seeks to make manufacturing and associated processes such as supply chain operations quicker, more efficient, and more customer-centric. We are also moving beyond automation to optimise and discover new business prospects and models. Through strategic efforts, we are making steady progress toward our goal and remain steadfast in our determination to accelerate the activities required to realise our goals. We intend not just to increase our overall business but also to invest in organic growth and enhance our R&D capabilities.

Our growth aspirations, the stellar performance demonstrated by our Company and the salience of our brand are catalysed by the indomitable spirit of our employees. I take this opportunity to thank all our team members and stakeholders for their unwavering support, faith, encouragement and dedication. I would also like to express my heartfelt appreciation to all of our customers, the Indian government, and other business associates for their enduring trust and support.

Our performance is a reflection of our potential to grow rapidly, create value for our stakeholders and contribute to making India the powerful hub for electronic hardware manufacture.

Regards

Sunil Vachani
Chairman, Dixon Technologies (India) Ltd

In conversation with Vice Chairman and Managing Director

"Despite several obstacles, we are pleased to have closed the year on a high note with excellent performance by all verticals."

Q How has the prevailing local and geopolitical climate affected the Company?

A The year put forth numerous challenges and impediments to the operations of the Company be it through the Omicron scare or the rising geopolitical tensions. Sustained inflation, supply-side challenges and increased freight costs owing to the disruption caused by the pandemic and further exacerbated by the conflict, caused a surge in raw material costs.

Not only did the cost-push infringe upon our margins, the repeated assault on consumer confidence by multiple waves of Covid and an impending war, have muted the demand scenario. However, we tailored unique strategies to respond to and overcome the challenges and continued to achieve a stellar performance this year too.

Q Could you elaborate on Dixon's performance in a challenging year?

A Despite several obstacles, we are very pleased to have closed the year on a high note with excellent performance by all verticals. In terms of overall performance for the year under review, our consolidated sales stood at ₹ 10,697 Crore as compared to ₹ 6,448 Crore in the previous year, marking a 66% increase. EBITDA witnessed a 33% growth from ₹ 288 Crore in the precedent year to ₹ 383 Crore in FY 2021-22.

The remarkable growth achieved in revenues helped us mitigate the impact of cost pushes cutting into our PAT margin which showed a slight degrowth of 0.7%. Overall, PAT however witnessed a growth of 19%.

Our consumer electronics division witnessed a growth of 34% in revenues from ₹ 3855 Crore in FY21 to ₹ 5170 Crore in FY 2021-22. The operating profit reached ₹ 125 Crore marking a 20% increase over the previous year.

While the revenues from Lighting products increased by 16% over ₹ 1104 Crore in the previous year reaching ₹ 1284 Crore this year, operating profits contracted by 10% points owing to critical supply-side bottlenecks, the surge in logistical cost and commodity price inflation. In accordance with our backward integration strategy, we will be investing ₹ 100 Crore into the segment over a period of 5 years.

Home appliances segment on the other hand witnessed growth in both revenues and operating profit by 64% and 36%, respectively. Revenues this year crossed ₹ 700 Crore while operating profit increased from ₹ 40 Crore in the previous year to ₹ 54 Crore this year. We are progressively focused and investing in making the segment more R&D oriented in order to provide the industry with cutting-edge and innovative solutions. We have recently partnered with key players in the market.

The most remarkable growth was exhibited by our mobile and EMS division which registered a grow of 274% in revenues from ₹ 840 Crore to ₹ 3138 Crore in FY 2021-22 over the previous year. Operating profits too grew significantly from ₹ 39 Crore to ₹ 97 Crore. The production of our key customers is now ramped up and stabilised. We have also started manufacturing feature phones apart from its smartphones.

Our security systems division witnessed a similar growth of 147% in operating profits from ₹ 6 Crore in FY21 to ₹ 15 Crore in FY 2021-22 while revenue grew by 82% over the previous year to reach ₹ 396 Crore this year. The increase in operating profit was achieved through better capacity utilization and streamlining of operations. We intend to further increase capacity from 10 Million units per year to 14 Million units by the second part of the forthcoming year. To that end, we are shifting from Tirupati to the Kopparthi electronic manufacturing cluster, where we have built a 2 Lakhs square feet production plant.

Q What are the strategies Dixon Technologies adopted to mitigate cost escalations in the reporting year?

A Despite the significant headwinds, our performance has been driven by operating leverage and continuous improvement in cost structures across all businesses, as well as the continued implementation of strategic price increases across ODM businesses such as washing machines and lighting, to offset the cost pressures caused by inflated raw material prices. Our cost optimisation initiative and proven working capital management will continue to help us sustain growth, and profitability and even make the balance sheet even stronger.

The availability and cost of ICs, as well as growing freight charges, have been a difficulty in this industry. However, our team's agility in vendor selection, pre-buying, and inventory management kept us from experiencing a shortage. We are now India's largest ODM player in lighting, with the most capacity across many SKUs. We are also working towards increasing the share of ODM products in the mix, so as to improve our profit margins. This is in line with our commitment towards backward integration of operations, which will help mitigate a significant portion of the cost push.

Q How has government policies like PLI aided your performance?

A As we all know, our Company has received an approval from the Government of India under the Production Linked Incentive (PLI) scheme for manufacturing telecom and networking products, mobile phones, AC PCBs and LED bulbs in India. We are the first domestic company to achieve the revenues, capex and investment thresholds to be eligible for the incentives from the Scheme.

The Scheme has helped the Company absorb and cushion some of the cost escalations that the industry is currently facing due to supply bottlenecks, increased freight and commodity prices. It has also provided us with an incentive to expand our operations and increase our capacity, while bolstering our commitment towards backward integration of our operations.

Perhaps one of the most important benefits of the PLI scheme, in the long run, would be the incentivising of a strong component ecosystem. The industry as a whole is heavily reliant on imports for sourcing its components. Hopefully, aided by the government incentives, we could potentially have a robust component ecosystem, which would further reduce operating costs.

Q How is Dixon enriching its products portfolio?

A We will be foraying into a new market for telecommunications equipment, with focus on routers, modems, and Gigabyte Passive Optical Network (GPONs). We are optimistic about the deliverables in this new area because of our competence in the manufacturing space and the assistance of our anchor partner. We began producing OMPs for leading brands in the telecom and networking industries, and production has already begun.

In terms of IT hardware, we began manufacturing in December 2021, and while small numbers began small, they are projected to grow. We are also in early talks with one of the top brands to finalise a deal for the production of tablets, which we anticipate will begin in the second quarter of this year. We have also concluded a joint venture to manufacture inverter controller boards for air conditioners.

Mr. Atul B Lall
Vice Chairman and Managing Director
Dixon Technologies (India) Ltd

Corporate Overview
Statutory Reports
Financial Statements

Message from CFO

"Excited for what the future Holds"

Revenue Growth
66%

EBITDA Growth
33%

ROCE
24.9%

ROE
21.9%

Summary of FY 2021-22

Year 2021-22 was yet another year of new business challenges and a tough macro-economic environment. Early part of the year (Q1) was impacted by covid wave - 2 and lower demand; operations in the subsequent quarters were impacted by rising input costs and massive supply chain disruptions. We had taken decisive actions on both the cost and pricing side in all the segments to mitigate the inflationary pressures and delivered strong results & maintained a healthy liquidity position. Our frugal cost structures and large scale also gave us a competitive edge in this extremely volatile and challenging external environment.

With the strategic imperative clearly laid out, the company will continue to move ahead in the journey of sustainable & profitable growth

Capital Allocation & Dividend Policy

In FY 2022, we have done a capex of ₹ 417 Crore and we believe our annual business capex will likely continue to be in the vicinity of ₹ 300 to ₹ 320 Crore for FY 22-23 relating to expansion of capacities across existing verticals & diversifying into new verticals linked to our core of electronics; backward integration, PLI related capex & development of state of art infrastructure

The policy behind capital allocation is to balance growth investments, shareholder returns, sound financial structure & an underlying strategy to support the business by maintaining and improving financial soundness. The guiding principle for capex commitments on new project and backward integration should have a target EBITDA payback period of 4 years and less than 2 year respectively, along with target Pre Tax ROCE of 30%+ and Post tax ROE of 25% We have a policy of providing stable dividends and have a target payout ratio of about 20% of the free cash flow generation post capex.

We believe that making investments to achieve growth and increasing profitability will increase corporate value and lead to greater returns to shareholders

Strengthening the financial foundation and improving capital efficiency

Dixon has always maintained a conservative financial profile with an optimum capital structure and investment-grade credit ratings. Our strong balance sheet & high liquidity enables us to direct our growth capital swiftly and efficiently towards emerging opportunities for long term value creation

Net debt was reported 141 Crore and keeping net debt to equity ratio 0.1x as on 31st March, 2022. Working Capital Days stood at zero days & our cash and cash equivalents balances stood at ₹ 317 Crore as at March 31, 2022.

With the strong capital allocation discipline, effective working capital management & robust cost control across all our business, we have successfully delivered a strong ROCE and ROE of 24.9% and 21.9% respectively in FY 2021-22 being an uncertain year & we feel confident to meet our target return ratios in upcoming years.

We will continue to focus on 3 drivers of Future cash flow- Earnings expansion, Working capital efficiencies & disciplined investment.

Company's credit rating of 'ICRA AA-' for long term debt, 'ICRA A1+' for short term debts & 'ICRA A1+' for commercial papers are indicators of a strong credit profile and a robust balance sheet, which are definite positives for the long-term growth trajectory

Corporate governance

The company's robust operating model, governance structure, effective risk management and ethical practices represent a strong & sustainable platform for long-term stakeholder value-creation.

With an aim to ensure that the company follows the highest standards of governance and compliance while growing, the Company has set up various committees to monitor and review performance regularly. The committees comprises of independent directors & management to identify and mitigate potential risks and take timely measures, develop an effective business strategy and lead the company towards its vision. During the year, our efforts of strengthening in governance was acknowledged with prestigious Golden Peacock Award for Excellence in Corporate Governance

Takeaways for the readers and the way forward

We strongly believe that we have a platform to sustain strong revenue & profitability growth moving forward with holistic expansion in the company's portfolio that will create value for all stakeholders of Dixon.

Our central focus remains on being a part of India's long term growth story and riding its robust consumption narrative to achieve industry leading growth. As we mark the end of a challenging period, I deeply appreciate all our Board Members, senior leadership, our team members and all our stakeholders, who have continued to trust us in these challenging times to take Dixon to greater heights. Let us continue this exciting journey of leaping to the next level of growth in FY 22- 23 & beyond.

Saurabh Gupta
Chief Financial Officer

Accolades received during FY 2021-22

Awarded best Young CFO at Confederation of Indian Industry CFO Excellence Awards 2022

Message from HR and Legal Head

At Dixon, we have created an empowering environment, where our teams can bring their real potential to the workplace and learn from each other. We also ensure that Dixon is a place for celebrations and merriment, so that our teams stay motivated throughout the year.

Dear Shareholders,

Our HR policies are designed to nurture a workforce that can create a pathway towards a progressive tomorrow. As a testimony to this, I am pleased to announce that we have been recognized as a 'Great Place to Work' for the period between Nov'21 and Oct'22. Through this, we have proved one of the famous quote by an eminent management guru Peter Drucker that "Culture eats Strategy in breakfast" citing the fact that culture is more important than Strategy, and our philosophy, principle and values all revolves around this golden word called "Culture" and has been validated empirically through the above mentioned recognition and symbolizes of our employees FAITH, TRUST and PRIDE in the company.

In the preceding two years, we have driven our strategies forward and taken important steps to support our workforce. We organised a free vaccination drive for our teams and made provisions for contactless remote monitoring package for Covid affected employees and their family members.

We have also offered financial assistance to the families of deceased employees, creating employment for their family members. Also, we were proactive in helping our employees deal with the shortage of oxygen. Towards this end, we procured oxygen concentrators for our people and their families and formed a rapid action team to coordinate these efforts.

At Dixon, we have always placed strong emphasis on the training, development and upskilling of our employees. To uphold this, we conduct regular training programs through which we promote knowledge seeking and learning among our employees. In order to encourage employee engagement, we also organize a number of activities such as online wellness sessions, health camps, town hall meetings, knowledge sharing, team building exercises etc.

Further, to automate the current processes at the Dixon Group, we have setup Darwin Box, HR Management System to automate payroll and performance management. While new initiatives at the group level have been in focus, we have laid great emphasis on strengthening our compliances, processes etc. and this has led to us receiving recognitions across a number of categories.

On the recruitment front, we introduced Thomas Assessment Centres for critical positions. We also created 2 level of interview panel for all the positions. We introduced our DISC (D- Dominance; I- Influence; S-Steadiness; C-Compliance) profiling psychometric test for position of Manager and above to ensure an efficient hiring process.

We have a long-standing resolve to ensuring the best corporate governance practices and transparency. With our transparent practices we have been able to build trust with our people and other stakeholders, while also ensuring that we can adapt to our changing environment.

Our robust governance framework has been validated by the prestigious Golden Peacock Award for Excellence in corporate governance.

Over the years we have built a team that rises to the challenge for each other and our esteemed customers with passion. A team which forms the heart and soul of our Company. I am grateful to our team members for being the pillars of our organisation. We will continue to encourage our high-calibre teams to create a truly inclusive and collaborative workplace.

Noting can summarize better than this saying of Dee Hock that "An Organization, no matter how well designed, is only as good as the people who live and work in it."

Regards,

Ashish Kumar
Group C.S.,
Head of Legal & H.R

Our skilled workforce

Celebrating diversity and inclusion

At Dixon, we continue to build an empowered, diverse, motivated and committed team as they serve as the bedrock to our growth and strategy. We provide them with several opportunities to improve their skills and foster a diverse workplace. We are dedicated to creating an inspiring work environment that emphasises both professional and personal development.

Our team

19,580
Total number of employees (direct & indirect)

594
New members

Nil
Lost Time Injury Rate (LTIR)

584
Hours of training imparted

34 years
Average age of employees

Operational excellence

The big canvas of operations reflects our performance, progress and potential

CONSUMER ELECTRONICS

LIGHTING PRODUCTS

EMS

HOME APPLIANCE

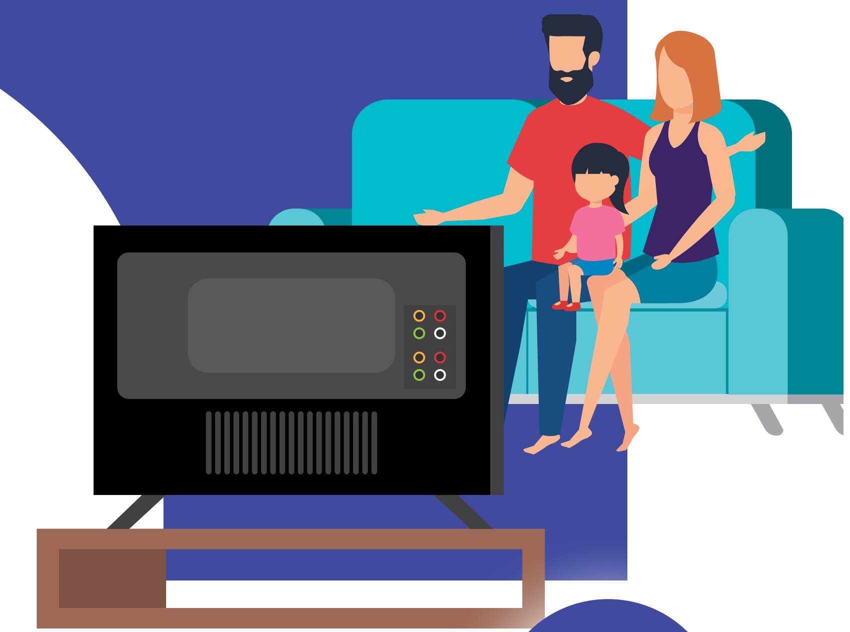
SECURITY SYSTEMS

MOBILE PHONES

Our manufacturing excellence and sustainable governance helped us overcome the challenges posed by the pandemic. At Dixon, we leverage world-class technology and expertise to deliver technologically advanced and design-oriented solutions to our customers. We have created industry-leading quality products at cost-effective prices and have effectively maintained long-term client relationships. Our constant efforts to upgrade our product portfolio have allowed us to maintain a robust order book and market leadership.

Consumer electronics

Through our consumer electronics division, we produce a wide range of smart TVs and ultra-high-definition TVs, as an ODM and OEM player. We empower brands to deliver new and unique goods to end-users by leveraging our design expertise and technical know-how.



Our USPs

- We provide end-to-end solutions
- We have complete backward integrated campus
- Diversified product portfolio
- Wide array of domestic and global customers
- In-house Moulding facility
- Full cleanroom technology
- Four high-speed SMT lines

Key highlights for FY 2021-22

5.5 Million
Annual production capacity

48%
Share in revenue

34%
Revenue growth

₹ 1,245.8 Million
Operating profit

2.4%
Operating margin

₹ 671.6 Million
Capital employed

4%
Share of ODM

213%
ROCE

DID YOU KNOW

We have a fully backward integrated facility at Tirupathi, which has a total area of almost half a million square feet. With an annual capacity of 5.5 Million sets including the backward integration in NCM and SMT lines, the facility has the largest capacity in India, catering to 35% of India's demand. We have also invested in injection moulding units on our campus, which will be operational in the first quarter of FY23.

We have tied up with a global customer for LED TVs under the Company's ODM solutions and the commercial production has begun at the beginning of FY23. We have also concluded the trials of LED monitors on the backdrop of the order received from the largest global brands. The expected order for the first year is expected to be 0.5 Million and the commercial production has begun.

35%
India's demand catered

Lighting products

In the lighting space, we are among the top ten global players. We design and deliver LED lighting solutions ranging from 0.5W to 50W. We provide electrical board design, mechanical design, light source design, and package design, as well as manufacture critical inputs such as plastic moulding, sheet metal, and wound components, bolstering our position as a leading ODM.

Our USPs

- Largest manufacturing capacity in the Indian lighting industry
- Backward Integration of key inputs such as sheet metal, plastic moulding and wound components
- Leveraging advanced technology to build a strong product portfolio at cost-effective prices to strengthen our position in global markets

Key highlights for FY 2021-22

300 Million
Production capacity - of LED bulb

60 Million
Production capacity of - battens

18 Million
Production capacity of - downlighters

12%
Share in revenue

16%
Revenue growth

₹ 881.2 Million
Operating profit

6.9%
Operating margin

₹ 3,541 Million
Capital employed

91%
Share of ODM

22%
ROCE

DID YOU KNOW

Even with the global chip shortage and rising freight charges, our team's agility in vendor selection, inventory management and pre-buying helped us sustain our operations. Being India's largest ODM player in lighting, we have a capacity for LED bulb of 300 Million, which is almost 50% of the Indian requirement. The batten capacity is expanded to 5 Million per month, with the Indian requirement being 9 Million, meanwhile, downlighters capacity is increased to 1.5 Million per month, which is almost 50% of the Indian requirement.

Our research and development team is working on a cost-effective lighting solution for next-generation lighting products. The products are in the final stage of approval on both the technical and commercial front. The lighting product segment is approved under the PLI scheme by the government of India under our wholly-owned subsidiary Dixon Technologies Solutions Private Limited. This will make us competitive as it is in line with our backward integration strategy. We are also making an investment of ₹ 100 Crore over a period of five years to help expand our margins.

Corporate Overview
Statutory Reports
Financial Statements

Home appliance

With a complete ODM model, we have in-house facilities for developing, producing, and testing a wide range of washing machines. We use cutting-edge technology to develop solutions that are aligned with dynamic market demands. This has allowed us to add great features to our washing machine models such as the magic filter, waterfall, side scrubber, and air dry.

Our USPs

- Strong R&D capability to design and produce technologically advanced washing machines
- State-of-the-art and eco-friendly facility
- Backward integration with plastic moulding facility & Power pressed for sheet metal stamping
- Features such as heater models, non-heaters models, induction motors and BLDC inverter motors available in Fully Automatic Top Loading (FATL) machine.
- We have globally-benchmarked manufacturing facilities in both North and South India, serving domestic and global brands

Key highlights for FY 2021-22

2.4 Million
Annual production capacity of SAWM & FATL

7%
Share in revenue

64%
Revenue growth

₹ 541.1 Million
Operating profit

7.6%
Operating margin

₹ 3,140.2 Million
Capital employed

100%
Share of ODM

18%
ROCE

DID YOU KNOW

With around 160 models in the semi-automatic category, we have the largest product portfolio ranging from 6kgs to 14kgs. With 1.8 Million capacities annually, we have the largest semi-automatic washing machine (SAWM) capacity in India.

We are in the process of setting up a State of the art manufacturing facility to expand our present capacities from 1.8 Million to 2.4 Million in SAWM.

Our plant in Tirupathi is also operational for the fully automatic top loading (FATL) category. Commercial production and deliveries for global key customer, have already begun. We have a 0.6 Million capacity with about 96 variants ranging from 6 to 10 kg. Apart from global Key customer, we shall also be manufacturing fully automatic Washing machine for premium domestic brands.

Largest
Semi-automatic washing machine (SAWM) capacity in India

Mobile phones & EMS division

In the past few years, we have become one of the fastest-growing mobile phone manufacturers with a strong market presence in this segment.

Our USPs

- State-of-the-art infrastructure with SMT and other testing equipment
- Contracts with Global brands for both domestic and export markets

Key highlights for FY 2021-22

30 Million
Production capacity of feature phone

15 Million
Production capacity of smart phone

6 Million
Production capacity of set top box

29%
Share in revenue

274%
Revenue growth

₹ 971.1 Million
Operating profit

3.1%
Operating margin

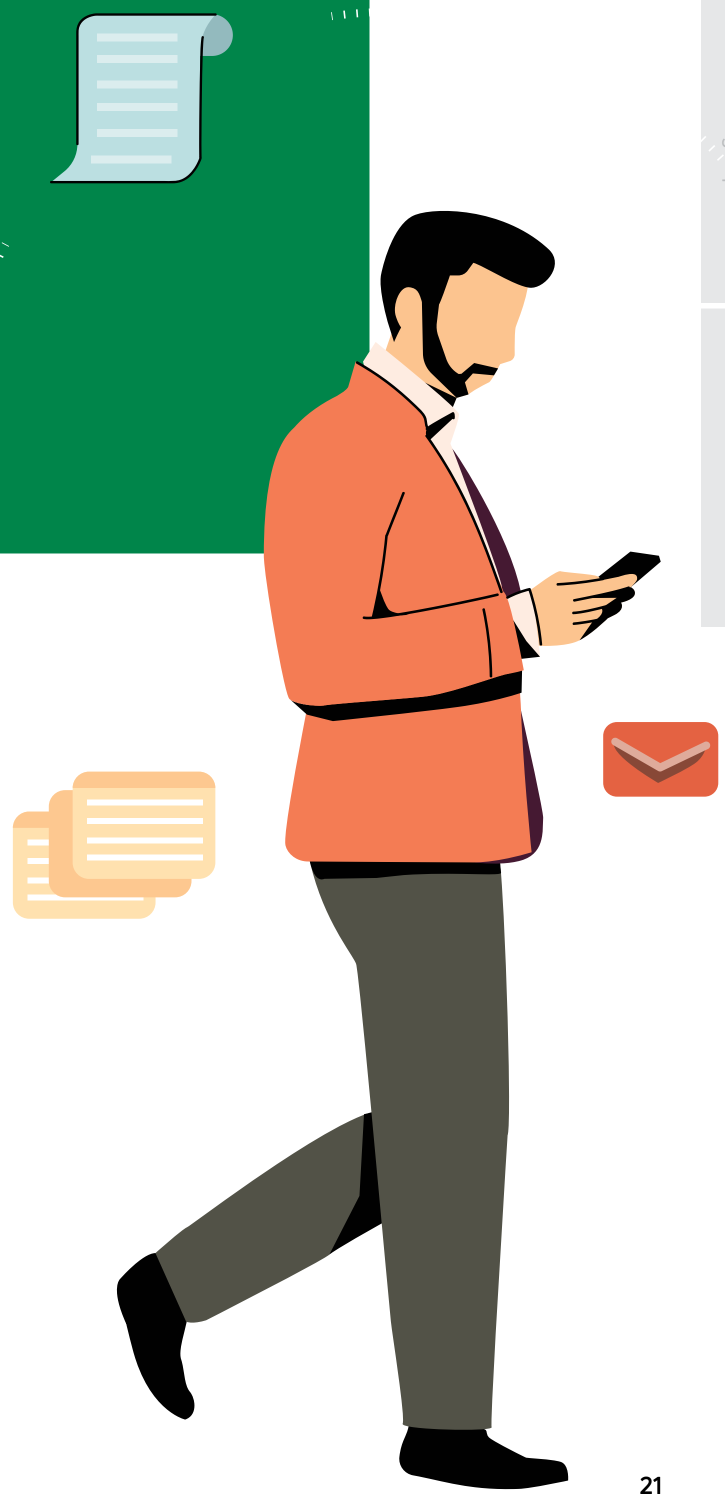
₹ 3,523.8 Million
Capital employed

21%
ROCE

DID YOU KNOW?

We have a strong order book in the mobile business which cater to global & domestic market. In addition to the smartphones that we are presently manufacturing, we are also working with major domestic and global brands for feature phone category. We have also done JV with Boat to manufacture their hearables & wearables like TWS, Neckband, Smartwatch. Apart from this we have also added IT products in our portfolio with major global brand as our new customer. We are the first and only domestic company to meet the PLI's sales and investment standards in the FY 2021-22, and the relevant incentive claims is expected soon.

We were able to capture the EMS industry owing to customer-centric and agile approach. We ventured into the set-up box, Mobile, segment in the EMS division, utilizing our temporary auxiliary capacity in the mobile phone segment. We also ventured into the medical equipment sector, last year, by creating diagnostic testing machine capacities. To augment our product line, we have also entered the wearable segment along with Laptops & Tablets.



Our USPs

- Adding new customers rapidly
- Healthy margins in the medical electronics unit

Key highlights for FY 2021-22

We have started manufacturing **IT hardware and Telecom products** in our EMS division

Security systems

We entered the security systems market in 2018 through a joint venture with Aditya Infotech Limited to produce security devices under the AIL Dixon Technologies Private Limited (ADTPL). We leverage our fully integrated plant to manufacture a wide range of security and surveillance products for our customers worldwide.

Our USPs

- Fully-integrated manufacturing facility
- Deliver quality products with minimum lead time.

Key highlights for FY 2021-22

8.4 Million
Production capacity of CCTV

1.8 Million
Production capacity of DVR

4%
Share in revenue

82%
Revenue growth

₹ 151.9 Million
Operating profit

3.8%
Operating margin

₹ 278.9 Million
Capital employed

55%
ROCE

DID YOU KNOW

The order book in this category is very strong, and we are planning to increase capacity from 10 Million to 14 Million units annually by FY23. We are moving our existing security devices production in Tirupathi to the Kopparthi Electronic Manufacturing Cluster, where we have built a 2 Lakhs-square-foot facility.

Emerging segments

We are constantly diversifying our portfolio through our R&D facilities and strategic partnerships to further drive fuel of growth journey.

Telecom and network

We have formed a Joint Venture ("JV") with Beetel Teletech Limited (Beetel) for manufacturing telecom and networking products. This JV Company is a beneficiary of the Telecom PLI scheme. Beetel is one of the leading manufacturer and distributor of Phones, modems, routers and set-top boxes. In addition to Ludhiana factory where manufacturing was already in place, manufacturing has also started in our existing Noida plant and the same will be transferred to our new upcoming state of the art dedicated telecom factory soon.

Refrigerators

We are venturing into the refrigerator segment with capacity of 1.2 Million of direct cool refrigerators. The Indian market for direct cool refrigerators is over 10 Million units in various sizes ranging from 170 to 235 litres, with a variety of features and star ratings. Product designs have been completed, technology partner agreements have been signed, and we have already bought a facility of around 20 acres in Greater Noida's Ecotech-8, on which construction has started. We have started engaging with a variety of possible customers and the mass production is set to begin by the end of the next fiscal year.

10 Million
Indian market for DC refrigerators

20 acre
Facility in Greater Noida

IT hardware

We began producing laptops for global brand in December 2021, and quantities are likely to expand substantially in the coming fiscal year. We are a PLI beneficiary for IT hardware items and are optimistic about achieving the revenue and CAPEX ratio in the next fiscal year. We are also in talks with a few major brands and are hopeful that we will be able to close some contracts.

PCBA board for air conditioners

We formed a joint venture with Rexxam, Japan to build controller boats for air conditioners. One of the leading AC brands collaborates with Rexxam as a design and technology partner, bringing expertise in PCB design. Rexxam aspires to make India a manufacturing powerhouse for both domestic and foreign markets. The JV company is a PLI recipient and will invest ₹ 51 Crore over five years, with Dixon contributing ₹ 20.4 Crore.

40-60
joint venture with Rexxam

₹ 51 Crore
Total investment in 5 years

Wearables and hearables

The Indian wearable market is the third-largest in the world and one of the fastest-growing markets. At the moment, our Noida production site is producing TWS and neckbands. We have also formed a 50/50 joint venture with Imagine Marketing Limited, which will focus on designing and producing wireless audio equipment. Through this JV, we will address a significant percentage of the demand of both of these devices. As the collaboration grows, there is also a lot of room to expand capabilities and introduce new product categories. We are also eyeing on opportunity to implement PLI scheme in this segment.

50-50
Joint venture with Imagine Marketing Limited

Our business model

Value creation approach

Inputs

Financial Capital
- ₹ **118.7** Million Equity
- ₹ **3,376.6** Million Long term borrowing
- ₹ **9,973.3** Million Net worth

Manufactured Capital
- **18** Manufacturing units
- ₹ **4,173.9** Million Capex

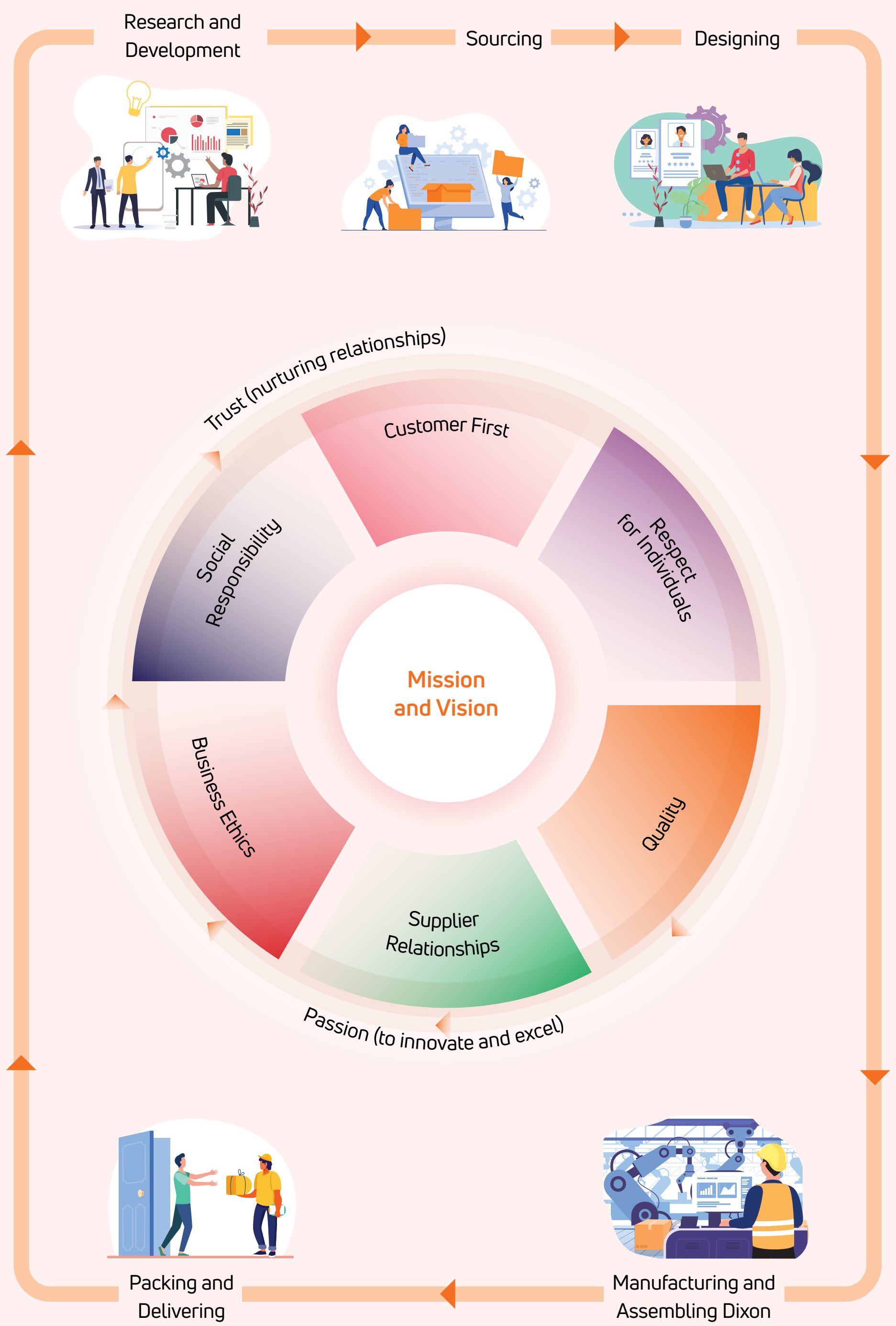
Intellectual capital
- ₹ **60.218** Million R&D investment
- **61** Employees in R&D
- **6** Number of R&D centres
- **8** years Average experience of the R&D team

Human capital
- **19,580** Total employees
- **584** hours Training
- ₹ **1.79** lakhs Spent on training

Social and Relationship Capital
- ₹ **297** Lakhs CSR expenditure
- **3,79,160** Shareholders

Natural Capital
- Energy
- Land
- Water

Process



Outputs

Financial Capital
- ₹ **2,55,690** Million market capitalisation
- ₹ **3,829** Million EBITDA
- ₹ **1903** Million PAT
- **0.10** Debt-equity ratio
- **1.8%** PAT margin

Manufactured Capital
Our Capacities:
- **5.5** Million LED TV
- **300** Million LED bulb
- **2.4** Million Home appliances
- **45** Million Mobile phones
- **8.4** Million CCTV
- **1.8** Million DVR
- **6** Million Set-top-box

Intellectual capital
Pioneering

new products and segments such as wearables and refrigerators

Constant

Investment in implementing state-of-the-art technologies

Human capital
- **31%** YoY increase in permanent employees
- **26%** YoY increase in contractual employees
- **584** Hours of training and development

Social and Relationship Capital
360 degrees

solutions offered to customers

Hundreds

of children and senior citizens benefitted through our CSR activities

Natural Capital
ISO 14001:2015, ISO 9001:2015

Certified company

Limits on the use

of hazardous materials like Mercury (Hg), Lead (Pb), Hexavalent Chromium (Cr6), Polybrominated Diphenyl Ether (PBDE), Cadmium (Cd) and Polybrominated Biphenyls (PBB)

Outcomes

- Sustained return on investment
- Robust balance sheet
- Continuous value creation for stakeholders
- Constant increase in total assets
- Better cash flow management

- Collaboration with major brands to foray into the export market
- Reduced operational costs
- Constant growth of exports
- Superior quality goods
- Improved integrity, efficiency, infrastructure and safety measures
- Enhanced operational efficiency
- Backward integration

- Ensuring operational excellence through process innovation
- Increased usage of digital technology
- Enhanced product and service quality
- Consistently introducing new and improved products

- Skill development through various training programs
- Ensuring safety and well-being of employees
- Providing equal opportunities to all
- Trained workforce with an ethical work culture
- High retention rate

- Promotion of literacy and education
- Generated employment opportunities
- Upliftment of communities in which we operate
- Continuous engagement with customer and stakeholders

- Implemented several programs to ensure environmental sustainability
- Reduced dependence on non-renewable resources

SDG's Contributed

Corporate Overview
Statutory Reports
Financial Statements

Stakeholder engagement

Co-creating value through in-depth dialogue

Stakeholder fraternity	Importance	Mode of engagement		Key Concerns and Expectations		Value Created in FY 2021-22
Shareholders & Investors						
• Shareholders • Managers • Equity and Credit Research Analysts • Institutional investors (Foreign and Domestic)	Investors remain at the core of our business. We use multiple channels of communication to improve value generation. We communicate with investors to obtain comments and discuss quarterly and annual results.	• Annual general meeting • Quarterly Investor calls and presentation • Annual report	• Press release • Website updates • Stock Exchange releases • Investor Analyst Meets	• Sustainable growth in revenues and profits • Timely dissemination and communication of material information • Consistent Dividend pay out	• Strong Balance sheet • Effective risk management • Quick resolution of issues	• ₹ **32** EPS • **22%** RoE • ₹ **2** Dividend per share
Customers						
• International • Domestic Electronic Brands	Our consumers are invaluable assets and are critical to our long-term success. They rely on our infrastructure and expertise to provide end users with high-quality products. As a result, we aim to produce high-quality products that meet a diverse range of requirements.	• One-on-One interactions • Customer Meetings	• E-mails • Feedback Mechanism Survey	• Regular updates on new products and capabilities • Operational efficiency • Lead time	• Product quality • Value-addition to Products • Competitive pricing • Confidentiality of sensitive information	Expanding their company portfolios to strengthen partnerships with domestic and international businesses.
Business Partners & Suppliers						
• Suppliers • Vendors • Landlords • Bankers • Other business partners	On a daily basis, we rely on a number of business partners for seamless and ongoing operations, including suppliers, bankers, and landlords.	• E-mails • Site Visits • One-to-One Interactions	• Business partner survey • Regular structure meetings	• Contract Management • Timely payment • Fair trade practices • Quality, Cost & Delivery Improvement • Technology sharing	• Fair commercial terms • Partner in new product development • Minimal fluctuations in delivery schedules • Growth in business avenues & improved ROI	• **1861** Raw material suppliers • **100%** On-time Payment
Employees						
• Permanent employees • Contractual employees	Our success is built on the strength of our people. We use their skills and abilities to carry out our growth strategy and plans. This allows us to maintain our competitive advantage while also achieving organisational objectives	• Frequent internal communication • Employee engagement initiatives	• Training and development programmes • Employee satisfaction survey	• Performance based reward system • Timely payment of remuneration	• Growth opportunities • Conducive working environment	• **76.4%** Retention rate • **1.79** Lakhs spend for training and development initiatives • **838** Man days of training conducted
Regulatory Bodies and Government						
• SEBI and RBI • Ministry of Corporate Affairs • Ministry of Electronics and Information Technology • Tax authorities, ICAI and ICSI • Municipal Authorities • State and Central Government	We work with regulatory authorities to stay updated on regulatory trends and to take advantage of opportunities to contribute to the development of standards and regulations.	• Reports • One-to-one Interaction • Events	• E-mails • Letters	• Proper disclosure of business information • Compliance with industry norms, laws and regulations • Employment Generation	• Participation in various industry forums and meets • Regular tax payment • Regularly communicate the compliance status	• Generating employment opportunities • Contributing to India becoming a "self-sufficient" and export hub in electronic sector • Regular payment of tax
Communities						
• NGOs • Underprivileged Individuals • Community/Society	Our CSR project beneficiaries are members of our bigger stakeholder family. We aspire to add value to the communities in which we operate through our efforts. Through a variety of CSR activities and other community connect programmes, we engage with key stakeholders.	• Focus Group Discussions • One-to-one interactions	• Media • Website • Through third parties like NGOs	• Enabling social development • Creating value for communities • Environment-friendly practices • Provide employment opportunities		• ₹ **297** Lakhs CSR Spend

ESG

Being a better environmental steward

Dixon Technologies is dedicated to building a sustainable organisation focused on its social and environmental duty.

We seek to make significant progress in our business's environmental, social, and governance aspects along with improving our bottom line. All of our business operations are based on environment-friendly and safe practices, bolstered further by international environmental and safety certifications. We also maintain the standard corporate governance framework required to conform to regulatory obligations and promote transparent communication across functional boundaries.

Sustainability is embedded in our environment policy, which represents our commitment towards enhancing ecosystem resilience through conservation and sustainable practices. We focus on sustainable technology, procedures and advancements and are dedicated to the objective of inclusive and sustainable growth. As electronic manufacturers, we bear a specific energy-saving duty and it is apparent in our product development initiatives as well as process improvements.

Environment

We have developed an effective environment strategy to guide and lead the Company's efforts to protect the environment. Our environment management system includes steps to combat global warming, recycle by-products, reduce emissions, and protect natural resources through various engineering and management solutions.

Effective energy management

Our Company prioritises energy conservation and understands its importance in reducing the detrimental consequences of global warming and climate change. We have created, implemented, maintained, and upgraded an energy management system, which includes all our manufacturing processes and their linkages. We also strive to improve our energy performance to meet the criteria of the energy management system.

To address the energy management techniques across the facilities, we have an energy policy and an energy apex manual in place.

Energy conservation

We are working with Andhra Pradesh State Energy Efficiency Development Corporation Limited (APSEEDCO) to implement eco-energy solutions for our plant in Tirupati. Energy audits were conducted for all manufacturing units to identify the key areas of energy savings and broad cost-benefit analysis.

We, at Dixon, are striving to conserve energy through various proactive measures. We have installed solar power generating systems at various locations of the Company's plants. We have been procuring energy-efficient appliances and have increased the use of natural light. We are upgrading all existing DG sets for dual mode operations i.e. diesel & PNG. We switch off all the machinery during break time to further reduce the operational energy consumption. We have also been using variable frequency drive (VFD).

300 hours

Runtime between genset maintenance

1,001 trees

planted at Tirupati during the year

Judicious use of conventional energy

We have reduced our reliance on conventional energy through adoption of renewable energy and have made a significant investment in rooftop solar panels. We have adopted OPEX model For solar installation.

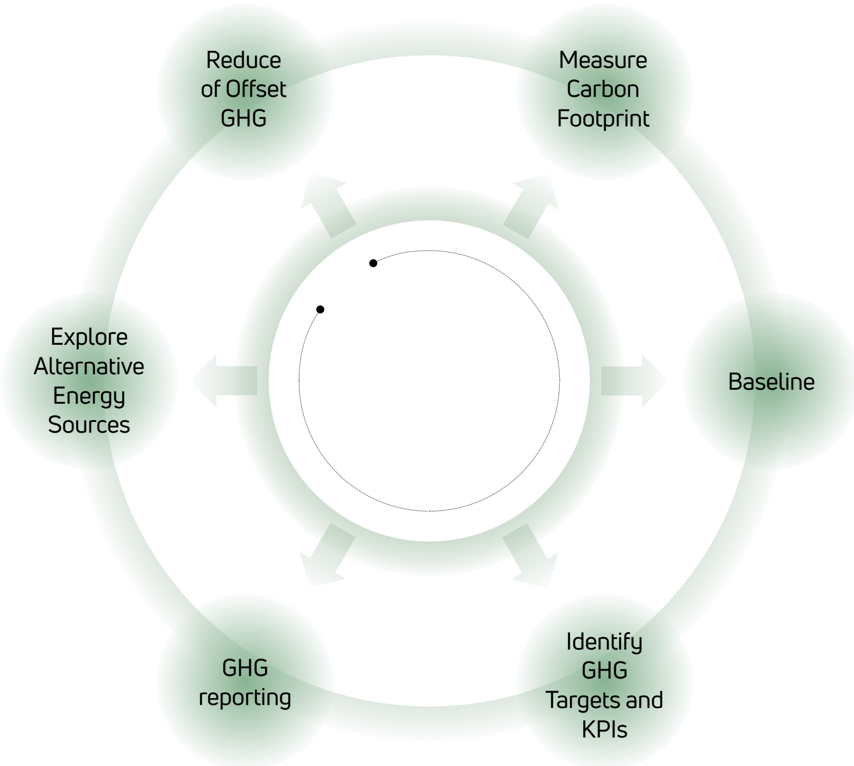
400 KWp & 180 KWp

Solar rooftop capacity at Dehardun

Apart from the above, we are under process for having open access model for solar power at various plant locations.

Curtailing emissions

We recognise the necessity of minimising our operational environmental impact. We identify our GHG targets and strive to reduce our emissions as per the Greenhouse Gas Protocol. We have implemented a variety of methods to track our carbon footprint and take the required steps to mitigate our impact.



Measures to reduce emissions

- No vehicle enters the premise without PUC.
- Use of electrical vehicles during material handling.
- Use of automatic sensors in lighting
- Common transport for employees
- Enhancing solar capacity
- Quarterly analysis of stacks

Carbon management

Our carbon management strategy is primarily concerned with Scope 1 and Scope 2 emissions. We are working to upgrade our fleet of buses used for employee commute to BS6 from BS4, which will reduce our carbon footprint significantly. Our management plan for Scope 2 emissions includes improving energy efficiency and expanding the use of renewable energy for electricity.

We are dedicated to constructing sustainable infrastructure and pursuing energy efficiency improvements in existing infrastructure. An expert team calculates the GHG inventory according to international protocol, including ISO 14064 Part 1 and ISO 14064 Part 2.

Technological solution

Our online monitoring system's abundant data is leveraged to build operational optimisation. To guarantee a greener and smarter infrastructure, we continue to deploy breakthrough technology in buildings and engage with professionals and universities. Lighting, air conditioning, automation, UPS, data centres, and server rooms continue to be the key areas of focus for energy-saving solutions in green buildings and existing structures.

Waste management

We are committed to reducing the industrial waste quantity by using recyclable products up to the maximum extent, identifying and disposing of the waste authorised vendors the industrial waste in order to prevent waste from going to landfills. We are focused on innovative alternatives and ensuring optimal product utilisation as our reliance on recycled material grows.

Hazardous waste management

We aim to eliminate hazardous waste from our products and packaging procedures in order to reduce waste in our operations. In line with this, we have partnered with Greeniwa Recycler Pvt Ltd to recycle products and dispose of e-waste created at our premises. We have also teamed up with Steam Oil & General Industries to dispose of hazardous oil waste created during our production processes. We aspire to improve our waste management practices and create a greener future through concerted efforts.

Judicious use of water

We are cognisant of our water consumption and to reduce or dependence on natural resources, we engage in wastewater treatment, rainwater harvesting for groundwater replenishment, and the use of recycled treated water for horticulture and cleaning. We do not contribute to water pollution because our processes are environmentally benign, emit no pollutants, and fall under the green category. We discharge wastewater to a common Sewage Treatment Plant (STP) where water can be treated and used for maintaining green belt.

Continuous monitoring

We track daily water use as well as per-person water consumption to detect any areas of water waste. We have installed digital water flow metres to track and analyse water usage, including water withdrawn, utilised, and released, as well as water-related impacts generated or contributed by the organisation.

Reducing consumption

Effluent treatment plants (ETP) have been installed in all of our units to recycle water. Sensor taps are used in all of our washrooms to reduce water usage. We use the RO-rejected water for washing as well. We reuse recycled water for varied purposes.

Rainwater harvesting

We recognise that as a finite resource, measures targeted at conserving and harvesting water will help replenish groundwater and ensure long-term water supply. To recharge the groundwater table, we have rainwater harvesting pits and sumps in place. Rainwater harvesting is done because it not only helps with water augmentation in terms of groundwater recharge or storage, but it also helps with flood management. We have also adopted a small pond to preserve water as a small way of giving it back to nature.

Social

We value societal rights and recognise our responsibility to uphold them. The Company strives to ensure that the benefits of its social activities reach the underprivileged. We focus on the local communities where we operate to carry out its CSR initiatives.

We are a people-oriented Company and have adopted fair employment practices that help create an inclusive and conducive work environment. Our favourable atmosphere enables our employees to grow and succeed by emphasising learning, skill development, teamwork, and employee involvement policies.

Ensuring employee welfare

We value diversity and strive to eliminate prejudice based on caste, creed, religion, or sex. We want a diverse workforce with equal opportunity for growth and development. We strive to increase our workforce's skills and capacities through need-based training programmes.

15,121
Number of training and development programs organisad in FY 2021-22

Women constitute a large portion of our team, and some of our production lines are entirely controlled by women. We believe in equal compensation, regardless of the employee's gender.

145
Women in workforce (permanent)

3797
Women in workforce (contractual)

We do not use child labour, forced labour, or involuntary labour, and we do not engage in discriminatory hiring practices. We also have a stringent anti-sexual harassment policy in place, as well as a committee to deal with complaints of harassment or discrimination in the workplace. During the year under review, the Company received no sexual harassment complaints.

Occupational health and safety

Dixon believes in fostering and encouraging our employees' overall well-being. We have a solid safety framework in place and continue to aim for zero injuries and fatalities across all activities. We have created performance metrics to monitor our employees' safety and health, which will help us avoid workplace mishaps.

Nil
Number of accidents

Nil
LTIFR

The Company regularly treats employees to health screenings, yoga, and mental well-being activities. Employees and operators participate in mock safety drills, emergency readiness training, fire safety training, first aid, ergonomics, and electric safety programmes throughout the year.

38
Employee engagement programmes in FY 2021-22

Every unit has a first-aid and fire-fighting crew on board, ensuring employee safety during an emergency. According to the legislation, the Company must promptly notify the labour and administrative authorities of every accident resulting in physical harm or death because of dangers such as fire, earthquakes, or explosive substances.

Corporate social responsibility

Dixon Technologies has been devoted to building long-term relationships with the communities in which it operates. Education, hunger eradication, socio-economic development, senior citizen welfare, and preventative healthcare are significant areas of concentration. Our CSR projects are carried out in partnership with non-profits and other organisations and are overseen by the Board's CSR committee.

₹ 2.97 Crore
CSR spend

Covid relief initiatives

Due to the ongoing pandemic, we concentrated on combating COVID-19 and rebuilding the health infrastructure that was under stress due to the burgeoning number of COVID cases. Various oxygen concentrators have been donated to the state government of Uttarakhand, Uttar Pradesh and Punjab. In addition, we sent infrared thermometres, pulse oximetres, and monetary donations to the Youth Foundation in the state of Uttarakhand. We donated ambulances to the Noida Authority and the Uttarakhand state government.

₹ 1.84 Crore
Donated to Covid relief activities

300
Oxygen concentrators donated

150
Pulse oximetre donated

Collaborating for cause

We focus on improving child education, eradicating hunger, and ensuring the welfare of senior citizens. We collaborate with the following non-profits:

Nav Abhiyan

We strive to give better life options for the underprivileged and economically disadvantaged members of society and ensure that youngsters complete their education. Its main focus is on fostering education and literacy, as well as women empowerment and social upliftment through vocational training. The foundation's operations are based in Jangpura, New Delhi.

Jan Madhyam

The organisation works to improve and rehabilitate children with mental disabilities. Its main focus is on the social upliftment of mentally impaired children by establishing satellite service centres for easy access to services for the disabled, where centres focus on self-grooming, arranging various programmes, outings, and providing nutritious meals, among other things. The foundation has rural training centres mainly in Aaya Nagar and Mohammadpur village.

Guru Vishram Vridh Ashram (SHEOWS)

It works towards the cause of the elderly, and other oppressed members of society. The ashram's operations are based in Delhi. SHEOWS currently runs two old age homes in Delhi and Garhmukteswar, which house over 320 elderly persons.

Labhya Foundation

The foundation provides social and emotional skills to students in government schools, allowing them to become more resilient, form stronger connections, and have a higher motivation to learn. The foundation is collaborating with governments, multilateral organisations, and non-profits to co-create scalable and localised Social Emotional Learning (SEL) and well-being programmes for vulnerable children across public education systems, namely 'Happiness Curriculum' and 'Anandam Pathyacharya', with the governments of Delhi and Uttarakhand, respectively.

Purkal Youth Development Society (PYDS)

Mentorship, healthcare, nutrition, and education are all provided by the organisation. From students from grades I to XII, the foundation provides education and holistic care to children (mostly girls) from underprivileged families through a CBSE-affiliated school..

Governance

Dixon Technologies is devoted to establishing a sound corporate governance system, emphasising the need to ensure internal openness and accountability. We are dedicated to embracing our responsibilities as a responsible business organisation under the direction of experienced management and the Board of Directors.

Our committees

Audit Committee	Corporate Social Responsibility Committee	Risk Management Committee	Stakeholders Relationship Committee
Nomination and Remuneration Committee	Research and Development Committee	Executive Committee	Internal Committees: a. Internal Complaints Committee b. Committee of Excellence.

Encouraging diversity on the Board

Independent and engaged directors with a strong sense of ethics and respect for different points of view are the foundation of good governance. We feel that a Board with diverse ideas, skills, and expertise is best suited to bring fresh perspectives to our management team as it tackles various issues and challenges that face our Company.

We make every effort to ensure that our Board of Directors include a diverse group of candidates who have the necessary judgment, background, skills, and expertise, as well as represent diversity in terms of race, ethnicity, and gender to strengthen and expand the Board's overall diversity, skills and qualifications.

71%
Independent Directors
(including 1 Independent Woman Director)

35
Average years of experience of our BOD

Promoting a culture of integrity

We are dedicated to establishing the most incredible and well-respected compliance programme to avoid problems. We accomplish this by cultivating a compliance culture, supporting ethical behaviour within our organisation, and encouraging every employee to follow all applicable laws, rules, and Dixon's policies.

We developed a Committee of Excellence (COE), consisting of individuals from diverse areas, to follow strong business ethics. The COE is in charge of the company's Compliance Management System, Lexcomply, and coordinating with the compliance vendor, RSJ Lexsys Pvt. Ltd. This committee was formed to supervise the implementation of applicable legislation revisions in each department and keep the system up to date. It also produces a monthly compliance report to the management.

Mitigating risks to drive growth

Our Board recognises that operating responsibly—minimising our operations' environmental impact, protecting our customers' personal information, and respecting human rights by cultivating an environment of respect, integrity, and fairness for our employees and customers wherever we do business—is critical to our Company's long-term success.

The corporation has developed a risk management strategy to detect and analyse possible hazards of business operations to manage its obligations. It also relies on a practical risk management approach to analyse and minimise risks. (In the report's 'Management Discussion & Analysis', we have emphasised the details of essential risks and mitigation methods.)

Upholding the highest standards

Maintaining excellent corporate governance standards has been critical to the Company's success. Our Company policies provide a clear path to long-term success and financial viability. Dixon depends on a solid corporate governance structure to promote efficiency, transparency, and accountability across Company verticals to instil confidence in stakeholders like shareholders, consumers, and the local community.

The requirements of the SEBI Listing Regulations and the Companies Act 2013 apply to our whistle-blower policy. As a result, directors and employees are urged to report unethical behaviour, actual or suspected fraud, or a breach of the Company's Code of Conduct.

Our Code of Conduct emphasises the value of ethical behaviour to foster a positive working environment. Confidentiality and discretion regarding insider trading and sexual harassment requirements are also included in the policy.

Forging long-term relationships

We have accentuated the need to improve connections with customers, suppliers, business partners, vendors, regulatory authorities, investors, and the general public throughout the years. To develop openness and build an inclusive stakeholder engagement policy, we strive to maximise value generation by focusing on ongoing interactions and discussions with stakeholders.

Ethical responsibility

A Business Responsibility policy governs the Company and is founded on ethics, transparency, accountability, product life cycle sustainability, employee well-being, stakeholder involvement, human rights, environment, responsible advocacy, inclusive growth, and consumer value. There have not been any additions or modifications in a long time. An anti-corruption policy is also in effect at the Company. Employees can read the anti-corruption policy published in the public domain. Employees are instructed on the associated procedures at the time of their induction.

The Company follows the Code of Conduct and emphasises the need to uphold the human rights, dignity, and legitimate interests of all persons directly or indirectly involved with us. It addresses the importance of ensuring a safe and healthy work and business environment for all those who are directly or indirectly affiliated with us. Its goal is to execute operations with honesty, fairness, and transparency. According to the policy, no direct or indirect personal advantage (such as bribes or use of corporate property or position) is permitted.

We have established a Quality, Health, Safety, and Environment (QHSE) policy, as well as measurable QHSE targets, by determining the present status of important parameters, target values, and accessible benchmarking against industry standards. For continual hazard identification, risk assessment, and control determination, a system is designed, implemented, and maintained.

Board of Directors

Mr. Sunil Vachani
Executive Chairman

Mr. Atul B Lall
Vice Chairman & Managing Director

Mr. Manoj Maheshwari
Non-Executive & Independent Director

Ms. Poornima Shenoy
Non-Executive & Independent Director

Dr. Manuji Zarabi
Non-Executive & Independent Director

Mr. Keng Tsung Kuo
Non-Executive & Independent Director

Dr. Rakesh Mohan
Non Executive & Independent Director

Management Team

Mr. Sunil Vachani (KMP)
Executive Chairman

Mr. Atul B Lall
Vice Chairman & Managing Director

Mr. Abhijit Kotnis
President – COO - Consumer electronics & Reverse Logistics

Mr. Rajeev Lonial
President – COO - Home Appliance

Mr. Pankaj Sharma
President -COO- security surveillance systems & Mobile (sec 90)

Mr. Ashish Kumar
Group CS, Head-Legal & HR (KMP)

Mr. Saurabh Gupta
Chief Financial Officer (KMP)

Mr. Sukhvinder Kumar
Chief Executive Officer- Telecom (Vertical)

Mr. Nirupam Sahay
President & Chief Operating Officer (Lighting Solutions)

Mr. Kamlesh Kumar Mishra
President-Mobile Division

Director's Report

Dear Member(s),

Your Directors take immense pleasure in presenting the 29th Annual Report on the business and operations of your Company along with the Audited Standalone & Consolidated Financial Statements for the year ended 31st March, 2022. The consolidated performance of the Company, its Subsidiaries and Joint Ventures have been referred to wherever required.

Financial Summary / Performance of the Company (Standalone & Consolidated)

The Company's financial results are as under:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the financial year ended		For the financial year ended	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Revenue from Operations	7,48,441	5,67,460	10,69,708	6,44,817
Other Income	262	239	381	158
Total Income	7,48,703	5,67,699	10,70,089	6,44,975
Profit/Loss Before Depreciation, Finance Costs, Exceptional items and Tax Expenses	28,124	27,053	38,292	28,817
Less: Depreciation/Amortisation/Impairment	5,072	3,846	8,395	4,372
Profit/Loss Before Finance Costs, Exceptional items and Tax Expenses	23,052	23,207	29,897	24,445
Less: Financial Costs	3,015	2,591	4,420	2,744
Profit/Loss Before Exceptional items and Tax Expenses	20,037	20,616	25,471	21,701
Add/(less): Exceptional items	-	-	-	-
Profit/Loss Before Tax	**20,037**	**20,616**	**25,471**	**21,701**
Less: Taxes (current & Deferred)	4,941	5,419	6,438	5,721
Profit/Loss for the year	**15,096**	**15,197**	**19,033**	**15,980**
Total Comprehensive Income/Loss	**15,086**	**15,192**	**19,092**	**15,975**
Balance of Profit/Loss for earlier years	49,851	34,654	53,345	37,365
Add: Profit during the year	15,096	15,197	19,026	15,980
Less: Dividend paid on Equity Shares	586	-	586	-
Less: Dividend Distribution Tax	-	-	-	-
Balance carried forward	**64,361**	**49,851**	**71,785**	**53,345**

Overview and State of Company's Affairs

India demonstrated strong resilience in the face of crisis and is experiencing a steady and rapid recovery. The bolstered economic activities can be attributed to the easing of mobility restrictions, and wide availability of vaccines. Additionally, with accommodating fiscal and monetary policies and strong emphasis on asset creation, the Government of India (GOI) is offering significant impetus for further growth. Despite the uncertainty looming over the unorganised sector, the economy witnessed significant growth in corporate profits especially in Q3. The October-December 2021 period also experienced a rise of 7% in private consumption.

The upswing of the Indian economy is also attributable to the fading supply-chain disruptions. However, supply-side imbalances were still strong in Q3. Your Company offered excellent agility while responding to the supply disruptions, which drove the overall revenue growth in the year under review. The Company experienced a strong demand, owing to gradual rise in discretionary income and is expecting a strong demand resilience for the upcoming quarters. However, owing to elevated commodity and freight costs, the ODM business is likely to experience certain marginal pressures.

Your Company has carved out a firm place in the Indian EMS industry. It aims at retaining and diversifying its clientele by delivering advanced solutions. Furthermore, your Company received 5 approvals under the PLI scheme of GOI including that for manufacturing of Mobile, Telecom & Networking Products, IT Hardware, Air Conditioners and LED Lighting, which is likely to redefine your Company's revenue model. With its extensive goal of mass production, your Company is emerging stronger every day.

This fiscal, most of the business verticals of the Company experienced a consistent order book. The wearables and hearables segment of the Company is expecting major traction as a result of its partnership with Imagine Marketing Limited. Your Company's partnership with Rexxam Co. Ltd. and Beetel Teletech Limited for manufacture of Printed Circuit Boards

Your Company's ranking in terms of market capitalisation is 182 as on 31st March, 2022 on National Stock Exchange of India Ltd. & 184 on BSE Ltd.

for Air-Conditioners and Telecom Products, respectively, is expected to be a game changer for the Company. Also, with the immense growing opportunities in the refrigerator segment, we are optimistic of delivering industry leading quality products to our customers. To summarise, your Company is looking at a promising future, with its high revenue potential defined by the largest capacities in India.

Appropriations

Dividend

The Directors are pleased to recommend a dividend of ₹ 2/- per equity share of face value of ₹ 2/- each (@100%), payable to those shareholders whose name appears in the Register of Members of your Company as on 16th August, 2022. The payment of Dividend shall be subject to approval of shareholders at the ensuing Annual General Meeting ("AGM") to be held on 23rd August, 2022.

The Board of Directors of your Company had approved and adopted the Dividend Distribution Policy containing all the necessary details as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"). The Dividend shall be payable in accordance with the Dividend Distribution Policy, which is available on the website of your Company at https://dixoninfo.com/json/dixon/codes-policy/dividend-distribution-policy.pdf. There has been no change in the said policy during the year.

The Register of Members and Share Transfer Books of your Company shall remain closed from 17th August, 2022 to 23rd August, 2022 (both days inclusive) for the purpose of payment of final dividend for the financial year ended 31st March, 2022 at the ensuing Annual General Meeting.

Transfer to Reserves

Details with regard to amount transferred to reserves are provided in the Notes to Financial Statements forming part of this Annual Report.

Share Capital Structure

There has been no increase / decrease in the Authorised Share Capital of your Company during the year under review.

During the year under review, your Company has allotted 7,72,580 Equity shares of ₹ 2/- each pursuant to exercise of Employee Stock Options by eligible employees under Dixon Technologies (India) Limited - Employee Stock Option Plan, 2018 and Dixon Technologies (India) Limited - Employee Stock Option Plan, 2020, collectively. Consequently, the Paid up, Issued and Subscribed Share Capital of your Company was also increased.

Further, during the period under review, your Company has not bought back any of its securities / has not issued any Sweat Equity Shares / has not issued any Bonus Shares/ has not issued shares with Differential Voting rights and there has been no change in the voting rights of the shareholders.

Details of Employees Stock Options

Your Company has, from time to time, introduced employee recognition schemes in the form of ESOPs and such tools have been constructive in acknowledging employee's contribution to the organisation. The objective of the said ESOPs is to enhance employee motivation, enable employees to participate, directly or indirectly, in the long-term growth and success of your Company. Also, such tools act as a retention mechanism by enabling employee participation in the business as its active member.

DIXON ESOP 2020

The members of your Company at 27th Annual General Meeting held on 29th September, 2020 approved DIXON TECHNOLOGIES (INDIA) LIMITED-EMPLOYEE STOCK OPTION PLAN- 2020 ("DIXON ESOP 2020") for the present and/or future permanent employees of your Company and its present and future subsidiary Company (ies) ("employees"). The Board had approved the constitution of 'share allotment committee' to allot shares, in one or more tranches to the employees of your Company and its subsidiaries pursuant to exercise of stock options vested with them in accordance with DIXON ESOP 2020. During the year under review, the share allotment committee allotted 2,46,230 equity shares of ₹ 2/- each pursuant to exercise of employee stock options by eligible employees under DIXON ESOP 2020.

DIXON ESOP 2018

At the 25th Annual General Meeting of your Company held on 25th July, 2018, the members had approved DIXON TECHNOLOGIES (INDIA) LIMITED-EMPLOYEE STOCK OPTION PLAN, 2018 ("Dixon ESOP 2018"). The Board had approved the constitution of 'share allotment committee' to allot shares, in one or more tranches to the employees of your Company and its subsidiaries pursuant to exercise of stock options vested with them in accordance with DIXON ESOP 2018. During the year under review, the share allotment committee allotted 5,26,350 equity shares of ₹ 2/- each pursuant to exercise of employee stock options by eligible employees under DIXON ESOP 2018.

Disclosures on details of options granted, shares allotted upon exercise, etc. as required under the Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021 are set out in **Annexure I** to this Report.

Further, details of options granted and exercised are included in the notes to accounts forming part of Standalone financial statements.

Credit Rating

The details of Credit Ratings as provided by ICRA Limited are as follows:

Type	Date	Facility	Rating	Remarks
Bank Loan Facility	29th March, 2022 re -affirmed	Fund based and non fund based	Long Term ICRA AA- pronounced ICRA double Short Term A1+	Long term and short term rating were re-affirmed
Commercial Paper	29th March, 2022 re -affirmed	Commercial Paper	ICRA A1+	Re-affirmed

During the year under review, the credit ratings were re-affirmed.

Investor Education and Protection Fund

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

Deposits

During the year under review, your Company has not accepted any deposits from the public under Section 73 and 76 of the Act and rules made thereunder and no amount of principal or interest was outstanding as at the end of Financial Year 2021-22. There were no unclaimed or unpaid deposits lying with your Company.

Change in the Nature of Business

There has been no change in the nature of business carried on by your Company or its subsidiaries during the year under review.

Consolidation of Financials

In compliance with provisions of Section 129 (3) of the Act read with Companies (Accounts) Rules, 2014, your Company has prepared Consolidated Financial Statements as per the Indian Accounting Standards on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. The Audited Consolidated Financial Statements along with the Auditors' Report thereon forms part of this Annual Report.

Subsidiaries, Joint Ventures or Associate Companies

1. **Dixon Global Private Limited**

   Dixon Global Private Limited ("**DGPL**") is a 100% subsidiary of your Company.

   DGPL is authorised to carry on agency business in all its branches and to act as agents for Indian and Foreign principals to, inter-alia, sale, purchase, import and export of electrical appliances and gadgets of all kinds.

   DGPL reported a profit of ₹ 131.20 Lakhs in F.Y. 2021-22 (previous year: ₹ 61.33 Lakhs).

2. **Padget Electronics Private Limited**

   Padget Electronics Private Limited ("**PEPL**") is a 100% Subsidiary of your Company.

   PEPL is engaged in the business of manufacturing, selling, exporting, repairing or dealing in mobile phones of all kinds and related components, parts, spares, devices and accessories.

   PEPL reported a profit of ₹ 2,865.35 lakhs in F.Y. 2021-22 (previous year: ₹ 302.62 Lakhs).

3. **AIL Dixon Technologies Private Limited**

   AIL Dixon Technologies Private Limited. ("**ADTPL**") is a Joint Venture Company of your Company.

   ADTPL is principally engaged in the business of assembling, manufacturing and selling CCTV security cameras, DVRs, IP cameras, cables, power supply, video door phones, bio metrics and allied products.

   ADTPL reported a Profit of ₹1,798.54 lakhs in F.Y. 2021-22 (previous year: ₹ 809.75 Lakhs).

4. **Dixon Electro Appliances Private Limited**

   Dixon Electro Appliances Private Limited ("**DEAPL**") was a Wholly owned Subsidiary of the Company during the year. However, pursuant to Joint Venture Agreement dated 9th November, 2021 between your Company and Beetel Teletech limited effective 7th January, 2022 your Company holds 51% of the shareholding of DEAPL, thus making it Subsidiary of your Company.

   It has reported a profit of ₹ 102.35 lakhs in F.Y. 2021-22 (previous year loss of ₹ 0.12 Lakhs)

5. **Dixon Electro Manufacturing Private Limited**

   Dixon Electro Manufacturing Private Limited ("**DEMPL**") 100% Subsidiary of your Company, incorporated on 16th March, 2021. It has reported a Loss of ₹ 21.27 lakhs in F.Y. 2021-22 (previous year loss of ₹ 0.12 Lakhs)

The Company is yet to commence its business.

6. **Dixon Technologies Solutions Private Limited**

Dixon Technologies Solutions Private Limited ("**DTSPL**") 100% Subsidiary of your Company, incorporated on 16th March, 2021. It has reported a Loss of ₹ 2.63 lakhs in F.Y. 2021-22 (previous year loss of ₹ 0.12 Lakhs])

The Company is yet to commence its business.

7. **Rexxam Dixon Electronics Private Limited (Formerly known as "Dixon Devices Private Limited")**

Rexxam Dixon Electronics Private Limited ("**RDEPL**") was a Wholly owned Subsidiary of the Company during the year. However, pursuant to Joint Venture Agreement dated 12th January, 2022 between your Company and Rexxam Co. Ltd, effective 23rd March, 2022 your Company holds 40% of the shareholding of RDEPL, thus making it Joint Venture Company of your Company.

It has reported a Loss of ₹14.86 lakhs in F.Y. 2021-22 (previous year loss :Not applicable)

The Company is yet to commence its business.

8. **Califonix Tech and Manufacturing Private Limited**

Your Company pursuant to Joint venture Agreement dated 17th January, 2022 between the Company and Imagine Marketing Limited, incorporated a Joint venture company named "Califonix Tech and Manufacturing Private Limited" on 26th April, 2022.

The first financial year will end on March 31st, 2023 and the Company is yet to commence its business.

A statement containing the salient features of the Financial Statement of the Subsidiaries and Joint Venture Companies in the prescribed format AOC-1 forms part of the Consolidated Financial Statements of your Company.

In accordance with Section 136 of the Act, the Audited Financial Statements including the Consolidated Financial Statements and related information of your Company and audited accounts of Subsidiaries are available on the website of your Company at www.dixoninfo.com.

None of the above named Subsidiaries and Joint venture Companies declared any Dividend during the Financial Year 2021-22.

During the year, Padget Electronics Private Limited wholly owned subsidiary of your Company, was a material subsidiary, as per SEBI Listing Regulations. In terms of the provisions of Regulation 24(1) of the SEBI Listing Regulations, appointment of one of the Independent Directors of your Company on the Board of material subsidiaries was applicable only to said wholly owned subsidiary.

Independent Audit Reports of the material subsidiaries are available on the website of your Company. The Secretarial Audit report of these material subsidiaries does not contain any qualification, reservation or adverse remark or disclaimer. The Company monitors performance of subsidiary companies, inter alia, by the following means:

Financial statements, in particular investments made by subsidiary companies, are reviewed quarterly by your Company's Audit Committee;

Minutes of Board meetings and Committee(s) of subsidiary companies are placed before the Company's Board regularly;

A statement containing all significant transactions and arrangements entered into by subsidiary companies is placed before the Company's Board;

The Company's Policy for determining Material Subsidiaries is available on the website of the Company and can be accessed at https://dixoninfo.com/json/dixon/codes-policy/PolicyonMaterialSubsidiary06042020.pdf

Furthermore, pursuant to Regulation 24A of SEBI Listing Regulations, read with Guidance note on Annual Secretarial Compliance Report issued by Institute of Company Secretaries of India, the Secretarial Audit report (MR-3) of Material Subsidiary i.e Padget Electronics Private Limited forms part of the Annual Report.

Particulars of Loans, Guarantees or Investments Made U/S 186 of the Act

Particulars of loans, guarantees given and investments made during the year in accordance with Section 186 of the Act forms part of the notes to the Financial Statements provided in this Annual Report. All the loans, guarantees & securities are given and investments are made for the Business purpose.

Related Party Transaction

In line with the requirements of the Act and SEBI Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at https://dixoninfo.com/json/dixon/codes-policy/RPT%20Policy-F-01042022.pdf. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between your Company and Related Parties. The said policy was amended on w.e.f. 1.4.2022.

All related party transactions are placed before the Audit Committee and also the Board for approval, as per applicable provisions of law. Prior omnibus approval of the Audit Committee is obtained as per SEBI Listing Regulations for the transactions which are foreseen and are repetitive in nature.

Further, during the year, your Company has entered into contract or arrangement or transaction with the Related Parties which could be considered material in accordance with the Policy of the Company on materiality of Related Party Transactions and as per the SEBI Listing Regulations. These transactions are in the ordinary course of business and are on arm's length basis. In view of the above, disclosure in Form AOC-2 is not applicable.

For details on Related Party Transactions, you may refer Notes to financial statements forming part of the Annual Report.

Material Changes and Commitments affecting the Financial Position of your Company and Material Changes between the Date of the Board Report and End of the Financial Year

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of your Company to which the Financial Statements relate and the date of Board Report.

During the year, your Company had entered into strategic partnerships as per following details:

a. Joint Venture Agreement ("JVA") with Beetel Teletech Limited ("Beetel") dated 9th November, 2021. Pursuant to the said JVA, Dixon Electro Appliances Private Limited ("JV Company"), previously wholly owned subsidiary of your Company, is 51% owned by your Company & 49% owned by Beetel. The JV Company has received approval under PLI scheme of Government of India for manufacturing of Telecom and Networking Products in India and in accordance with the same, it will undertake manufacturing of telecom and networking products, inter-alia GPON's, ONT's, modems, routers, set top boxes, IOT devices, etc for the telecom sector/industry.

b. Joint Venture Agreement ("JVA") with Rexxam Co. Ltd ("Rexxam") dated 12th January, 2022. Pursuant to the said JVA, – Rexxam Dixon Electronics Private Limited ("formerly known as Dixon Devices Private Limited" which was wholly owned subsidiary of your Company, is 40% owned by your Company & 60% owned by Rexxam. The JV Company has received approval under PLI scheme of Government of India under White Goods category and in accordance with the same, it will undertake manufacturing of Printed Circuit Boards for Air-Conditioners (PCBA) for the domestic and international market.

c. Joint Venture Agreement ("JVA") with Imagine Marketing Limited ("Boat") dated 17th January, 2022. The JV Company-Califonix Tech and Manufacturing Private Limited was incorporated on 26th April, 2022 Pursuant to said JVA, each JV Partner holds 50% equity in the said JV Company. The JV Company shall undertake manufacture of Blue tooth enabled audio devices.

Future Outlook

Despite the calamitous 2nd wave and its severe impact on health, it proved to be less economically damaging against the complete lockdown of 2020. The service sector, which was largely impacted by the pandemic is gradually recovering. Owing to the GOI led PLI scheme, the industry is expecting generous investments. Also against the backdrop of India's advanced electronic ecosystem and new-cost structures, global players are choosing India as their alternative manufacturing base and thus driving major growth.

The demand for electronic items is surging owing to rapid digitisation, in terms of accelerated adoption of advanced technologies such as IoT.The shift in consumer behaviour and rise in expenditure for premium products also contribute to the growth. Considering affordable input prices and competent workforce, India is likely to become the back office for the global EMS industry.

Your Company is strongly enterprising on promising opportunities and government aids, resulting with the Company becoming the only one to attain the threshold for revenues and investments under the PLI scheme. Your Company is diversifying its geographical footprints to cater to the surged demand with in the consumers. This helps the Company maintain a steady order book. In its endeavour to stay ahead in competition, Dixon has employed backward integration strategy and is redefining its capacity as well. Moreover, the Company is catering to the demands of several prominent players with its advanced design manufacturing across segments.

Your Company is committed to adhere to stringent quality standards and further drives the demand with increased production speed and full process automation. Your Company is actively progressing towards industry 4.0 and has employed digitisation in its certain business processes, particularly in logistics and production planning. To ensure further growth, the Company has made significant investments in innovation and in development of robust R&D capabilities. Beyond capacity expansion, your Company is also committed to make a huge investment and thus augment its margins.

Corporate Governance

Your Company believes that executing strategy effectively and generating shareholder value over the long term requires high standards of corporate governance.

To ensure good corporate governance, your Company ensures that its governance framework incorporates the amendments introduced in the SEBI Listing Regulations from time to time and the same are complied with on or before the effective date.

It gives us immense pleasure to inform you that during the year your Company won the prestigious Golden Peacock Award for Excellence in Corporate Governance, validating the Company's constant efforts to set new benchmarks in corporate excellence. To identify its ethical management policies and collaborative style of governance, your Company was evaluated across a range of parameters.

In terms of SEBI Listing Regulations, a separate section on "Corporate Governance" with a compliance report on corporate governance and a certificate from M/s. Shirin Bhatt & Associates, Company Secretaries, Secretarial Auditors of the Company regarding compliance of the conditions of Corporate Governance, has been provided in this Annual Report. A Certificate of the CEO and CFO of the Company in terms of SEBI Listing Regulations, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

Board of Directors, Its Committees and Meetings thereof

The Board of Directors (the "Board") are responsible for and committed to sound principles of Corporate Governance in your Company.

The Board's focus is on the formulation of business strategy, policy and control. Matters reserved for the Board are those affecting your Company's overall strategic policies, finances and shareholders. These include, but are not restricted to, deliberation of business plans, risk management, internal control, preliminary announcements of interim and final financial results, dividend policy, annual budgets, major corporate activities such as strategic decisions and connected transactions.

The Board has delegated part of its functions and duties to Executive committee and day-to-day operational responsibilities are specifically delegated to the management.

Your Company has a professional Board with right mix of knowledge, skills and expertise with an optimum combination of Executive, Non-Executive and Independent Directors including one Woman Director. The Board provides strategic guidance and direction to your Company in achieving its business objectives and protecting the interest of the stakeholders. Your Board is also supported by Eight Committees viz. Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Executive Committee of the Board, Risk Management Committee, Share Allotment Committee and Research & Development Committee.

Your Company holds minimum of 4 (four) Board meetings in each calendar year with a gap of not more than one hundred and twenty days between any two consecutive Meetings. Additional meetings of the Board/ Committees are convened as may be necessary for proper management of the business operations of your Company.

The agenda and Notice for the Meetings is prepared and circulated in advance to the Directors. The Board of Directors of your Company met 7 (seven) times during the Financial Year 2021-22 i.e. 9th April, 2021, 27th May, 2021, 27th July, 2021, 29th October, 2021, 6th January, 2022, 28th January, 2022 and 25th March, 2022.

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

A detailed update on the Board & its Committees, composition thereof, number of meetings held during Financial Year 2021-22 and attendance of the Directors at such meeting is provided in the section "Board of Directors" of "Corporate Governance Report".

Committees of the Board

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

A. Audit Committee

B. Nomination and Remuneration Committee

C. Corporate Social Responsibility Committee

D. Stakeholders' Relationship Committee

E. Risk Management Committee

F. Executive Committee

G. Share Allotment Committee

H. Research & Development Committee

A detailed update on the composition, number of meetings, attendance and terms of reference of aforesaid Committees are provided in the section "Committees of the Board" of "Corporate Governance Report".

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review as stipulated under SEBI Listing Regulations with the Stock Exchanges in India is presented in a separate section forming part of this Annual Report.

Vigil Mechanism

Your Company has established a vigil mechanism through which directors, employees and business associates may report unethical behaviour, malpractices, wrongful conduct, fraud, violation of Company's code of conduct, leak or suspected leak of unpublished price sensitive information without fear of reprisal. The directors, employees, business associates have direct access to the Chairman of the Audit committee. The vigil mechanism has been explained in detail in the "Corporate Governance Report".

Risk Management

Your Company has adopted risk management policy, which covers five aspects: Strategic risks, Operational Risks, Compliance Risks, Financial &, Reporting Risks and Cyber Risks. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

In line with the SEBI Listing Regulations, your Company has set up a Risk Management Committee to monitor the risks and their mitigating actions. The details of Risk Management Committee are provided elsewhere in this report.

Risk Management is also an integral part of your Company's business strategy. Business Risk Evaluation and Management is an ongoing process within the Organization. The same is available on the website of the Company and can be accessed at:https://dixoninfo.com/json/dixon/codes-policy/Risk%20Management%20Policy%20-%2018062022.pdf.

Despite of the Covid-19 impact, your Company's sales and manufacturing activities improved, owing to better planning and management and your Company delivered remarkable numbers during the FY 2021-22. Also, during these challenging times, your Company's focus had always been on ensuring the health and safety of our employees.

Also, to address IT related concerns like cyber threats and data vulnerability, your Company has a robust IT system and firewalls to mitigate any threats and risks. The Company takes the below mentioned steps to ensure the privacy and data security of users:

a) Using firewalls on the network.
b) Antivirus is installed on each system to protect from viruses, anti-malware, adware, worms and Trojans.
c) Strong password policy.
d) Automatic backup is scheduled for critical users.
e) Educating users by sending Information like Security Policy of the Company and email awareness mail periodically.
f) External drives are blocked.

In the opinion of the Board, there are no risks that may threaten the existence of your Company.

Adequacy of Internal Controls systems and Compliance with Laws

Your Company has an adequate and effective system of internal controls commensurate with the nature of its business and the size and complexity of its operations. These controls have been designed to provide a reasonable assurance over effectiveness and efficiency of operations, prevention and detection of frauds and errors, safeguarding assets from unauthorised use or losses, compliance with applicable laws and regulations, accuracy and completeness of the accounting records, timely preparation of reliable financial information. Your Company has an independent internal audit function supported by dedicated outsourced teams. Every quarter, the Audit Committee of the Board is presented with key concerns and the actions taken by your Company on concerns highlighted. Also, the Audit Committee, provide their observation, suggestions and recommendations and seek Action Taken Reports from Management of the Company. The said Committee regularly at its meeting, reviews the status of such Action Taken Reports. In order to supplement the Internal Control process, your Company has engaged the services of M/s Ernst & Young LLP, to function as Internal Auditors.

Also, the Corporate Affairs Department ensures that your Company conducts its businesses with high standards of compliance in legal, statutory and regulatory areas. Your Company has instituted an online Legal Compliance Management System in conformity with the best Industry standards which gives the compliance status on real time basis.

The Internal Auditors of your Company have direct access to the Audit Committee of the Board. Furthermore, the Internal Auditors are also responsible for following up the corrective actions to ensure that satisfactory controls are maintained.

Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status and Company's Operations in Future

During the year under review, there has been no such Significant and Material Orders passed by the Regulators or courts or tribunals impacting the going concern status and your Company's operations in future.

Also, there had been no application filed for Corporate insolvency resolution process under "The Insolvency and Bankruptcy Code, 2016", by a Financial or operational creditor or by your Company itself during the period under review.

There was no instance of onetime settlement with any Bank or Financial Institution.

Annual Return

The Annual Return of your Company for the FY 2021-22 shall be placed on the website at www.dixoninfo.com in due course.

The link to access Annual Return for previous Financial year 2020-21 is https://dixoninfo.com/json/dixon/annual-general-meeting/Annual%20Return%20-%20Form%20MGT-7.pdf.

Directors and Key Managerial Personnel who were Appointed/Re-appointed or have resigned during the Year

Directors

During the year under review, Dr.Rakesh Mohan, who was appointed by the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company in capacity of Non-Executive & Independent Director with effect from 2nd February, 2021 for a term of 5 (five) consecutive years, was appointed as Non-executive and Independent Director by the Members of the Company at the Annual General Meeting of the Company held on 28th September, 2021.

Apart from the above, there were no other appointment and resignations of directors and/or Key Managerial Personnel of the Company.

Key Managerial Personnel ("KMPs")

Pursuant to the provisions of Section 203 of the Act, as on 31st March, 2022 Mr. Sunil Vachani, Executive Chairman & Whole Time Director, Mr. Atul B Lall, Vice Chairman & Managing Director, Mr. Saurabh Gupta, Chief Financial Officer and Mr. Ashish Kumar, Group CS, Head- Legal & HR of the Company are the KMPs of your Company.

There was no change in the KMP of the Company during the period under review.

Directors Liable to Retire by Rotation

In accordance with the provisions of the Act, not less than 2/3rd (Two-third) of the total number of Directors (other than Independent Directors) shall be liable to retire by rotation. Accordingly, pursuant to the Act read with Articles of Association of your Company, Mr. Atul B.Lall (DIN: 00781436) is liable to retire by rotation and, being eligible, offers himself for re-appointment.

Declaration of Independent Directors of the Company

As on date of this report, the Board comprises of 7 (seven) Directors. The composition includes 5 (five) Independent Directors. All the Independent Directors are appointed on the Board of your Company in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

Your Company has received declarations from all the Independent Directors confirming that they meet/continue to meet, as the case may be, the criteria of Independence under sub-section (6) of section 149 of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations.

Also, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Act and have confirmed that they are in compliance with the Code of Conduct for Directors and Senior Management personnel formulated by the Company.

Familiarization Programme for the Independent Directors

In compliance with the requirements of the SEBI Listing Regulations, your Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibility as Directors, working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance Report. The same is also available on the website of the Company and can be accessed at web link https://dixoninfo.com/json/dixon/codes-policy/Code_for_Independent_Director_and_familiarization_programme_Final-27042022.pdf.

Board and Director's Evaluation

Pursuant to the provisions of the Act and the SEBI Listing Regulations, Annual evaluation of the Board, its Committees and individual directors has been carried out on the basis of Guidance Note on Board Evaluation issued by Securities and Exchange Board of India ("SEBI").

To facilitate the evaluation process, Board and its Committee's self-evaluation questionnaires were circulated to the Board members and respective Committee members and an online link was also provided to the Board members and respective Committee members wherein an option was provided to the Board and committee members to fill in the said questionnaires online.

Basis the results of the aforesaid questionnaire and feedback received from the Directors and respective Committee members, the performance evaluation of the Independent Directors were carried out by the entire Board excluding the Director being evaluated. The performance evaluation of the Executive Chairman, Vice Chairman and Managing Director was carried out by the Independent Directors. The directors have expressed their satisfaction with the evaluation process.

Separate Meeting of Independent Directors

Pursuant to Schedule IV to the Act and SEBI Listing Regulations one meeting of Independent Directors was held during the year i.e. on 25th March, 2022, without the attendance of non-independent Directors and members of Management.

In addition, the Executive Directors of the Company provide regular updates of Business plan and strategies to Independent Directors, in detail, on a regular basis.

Auditors & Auditors' Report

Statutory Auditors- M/s S. N. Dhawan & Co LLP	M/s S. N. Dhawan & Co LLP (Firm registration number: 000050N/N500045) were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 25th July, 2018, for a term of five consecutive years. The Independent Auditors Report given by the Auditors on the financial statement (Standalone and Consolidated) of your Company forms part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Secretarial Auditors- M/s Shirin Bhatt & Associates, Practicing Company Secretaries	Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of your Company at its meeting held on 27th May, 2021 had appointed M/s Shirin Bhatt & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2021-22 and onwards. The Secretarial Audit Report is annexed herewith as **Annexure – II**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.
Cost Auditors- M/s Satija & Co, Cost Accountants	In terms of the Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost accounting records and get them audited every year from Cost Auditor and accordingly such accounts and records are made and maintained by your Company. The Board of Directors appointed M/s Satija & Co., Cost Accountants, as Cost Auditors to audit the cost accounts of your Company for the Financial Year 2021-22. The Cost Audit Report for the FY 2021-22 will be filed by the Company with the Ministry of Corporate Affairs, in due course.
Internal Auditors- M/s Ernst & Young LLP	M/s Ernst & Young LLP., were appointed as Internal Auditors of the Company at the Board Meeting held on 27th May, 2021, to conduct the Internal Audit for the Financial Year 2021-22 and onwards. During the period under review, M/s Ernst & Young LLP., performed the duties of internal auditors of your Company and their report is reviewed by the Audit Committee.

Corporate Social Responsibility (CSR)

Your Company has been constantly working towards promoting equality, including and empowering the under-represented and underserved communities. Your Company invests in the areas of education, inclusion and livelihood through non-profits and social enterprises. Your Company's constant endeavour has been to support initiatives in the chosen focus areas of CSR, including certain unique initiatives. It has attempted to look into the solutions to disrupt the status quo and bring in fresh thinking to the existing problems of exclusion, deprivation and poverty.

Your Company has a duly constituted CSR Committee, which is responsible for fulfilling the CSR objectives of your Company. The composition of CSR committee is as stated in the "Committees of the Board" section of "Corporate Governance report.

The Board of Directors have adopted a CSR policy which is in line with the provisions of the Act. The CSR Policy of your Company lays down the philosophy and approach of your Company towards its CSR commitment. The policy can be accessed at the following link: https://dixoninfo.com/json/dixon/codes-policy/Corporate%20Social%20Responsibility%20Policy%20-%2031.05.2021.pdf

Annual Report on Corporate Social Responsibility Activities of your Company is enclosed as **Annexure – III** and forms a part of this report.

Business Responsibility Report

Your Company's business responsibility ingrains the spectrum of nine principles of National Voluntary Guidelines issued by the Ministry of Corporate Affairs, Government of India, along with their key elements. This is enabled by a suite of frameworks, governance, social objectives, policies, code of conduct and management systems integrated with the business process. Your Company has adopted Business Responsibility Policy which is available on the website of the Company.

In terms of SEBI Listing Regulations, a separate section on "Business Responsibility Report" forms part of this Annual Report and is given in **Annexure – IV**.

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

The particulars as prescribed under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out in **Annexure- V**.

Green Initiative

Your Company has implemented the "**Green Initiative**" to enable electronic delivery of notice/documents/ annual reports to shareholders. Electronic copies of the Annual Report for the F.Y. 2021-22 and notice of the 29th Annual General Meeting are being sent to all members whose e-mail addresses are registered with the Company/Depository Participant(s) as on the record date i.e. 29th July, 2022. For members, who have not registered their e-mail addresses, please update your e-mail ids with your respective Depository Participants.

Your Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of 29th Annual General Meeting beginning from 9:00 a.m. on 20th August, 2022 (Saturday) till 5:00 p.m. on 22nd August, 2022 (Monday). This is pursuant to section 108 of the Act read with relevant rules thereunder. The instructions for e-voting are provided in the Notice of the Annual General Meeting. In furtherance of the aforesaid principle of "Green Initiative", your Company has decided to forego the practice of printing financial statements of its subsidiary as part of the Company's Annual Report with a view to help the environment by reducing paper consumption. However, the audited financial statements of the subsidiary(ies) alongwith Auditors' Report thereon are available on our website www.dixoninfo.com .

Human Resources

Your Company employs 13,726 individuals (including third-party contractual employees) which is its most valuable asset, which propel the Company forward through their competencies, skills, and knowledge. The Company provides to its employees a supportive and safe working environment at the workplace. To foster a caring community, the Company recognises that having good staff relations and a motivated workforce plays a vital role in the Company's efficient operations. Your Company has always promoted employees (including workers) to actively participate in various engagement activities which the company organizes every month. The Human Resource Department creates a yearly engagement calendar and monitors it on monthly basis. Last year company organized around 38 engagement activities for its employees. Some of the employee engagement activities are showcased below:

- Republic Day celebration
- Cardiac Camp
- Holi Celebration
- Zumba activity
- Cross Functional Meet
- Team Building exercise
- Festival Celebrations
- Foundation Day celebration
- Monthly Birthday celebration
- Family Get together

Welfare arrangements for employees (Health check-ups, etc.)

From time to time your company keeps on doing benevolence activities for its employees. During the Covid-19 pandemic, company played a pivotal role in safeguarding the health of its employees. It procured Oxygen concentratorand provided them to its employees suffering from Covid. Your company also gifted oxygen concentrators to local administration for larger cause of saving mankind from this dreaded disease. Procurement of oxygen concentrators were done in timely basis so as to reach out the needy person. Your Company also ensured that every employee/worker should have mediclaim coverage. Besides this, free annual health checks- up are being done for workers.

The organization has organized various webinars on mental well-being, physical fitness, ayurvedic healing, cancer awareness, yoga classes etc.

Measures taken to motivate employees:

ESOP's is one of the way of motivating the employee that is generally given based on the performance of the individual. Every month, "Best Operator" award is being given to the Best performer of the unit across all locations. Learning and Development is considered to be one of the important aspects of the organization and the units' are motivated by rewarding the top 3 units with certificate of merit.

Your Company believes in work diversity and ensures that it has a mixed workforce irrespective of caste, creed, religion and gender. Your Company has representation from all sects of the society thereby ensuring diversity in workforce. Your company has representation of women at workplace. In few of our units, we have only women workforce who runs the entire production line. Similarly in other units, your Company has good strength of women workforce in the shop floor. Your Company believes in equal pay parity irrespective of gender. All the workforce are paid based on their skill level.

Your Company is aiming to become more inclusive and therefore the promotion of gender diversity has been one of the key features of our talent strategy. From setting a specific target to improve women's participation in the workforce for the next three years to implementing programs and policies that improve worker diversity, your company has clear objectives to improve worker engagement and build trust. Your Company has a 'Zero Tolerance' policy towards any kind of discrimination and harassment at the workplace. We are an equal opportunity employer providing equal remuneration for women and men.

As per the Great Place to Work ("GPTW") survey results, your Company has been certified as "GREAT PLACE TO WORK"

Particulars of Employees and Remuneration

The disclosures pertaining to remuneration and other details of Directors and employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been provided in the annexure forming part of this report. Having regard to the provisions of Section 136(1) read with relevant provisions of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary or alternatively write to the Company at investorrelations@dixoninfo.com and the same will be furnished to the members.

Also, during the year under review, Mr. Sunil Vachani and Mr. Atul B. Lall have received consultancy fees amounting to ₹ 24,00,000 and ₹ 12,00,000 per annum, respectively, from Padget Electronics Private Limited for providing their expertise in the field of EMS to Padget Electronics Private Limited.

Director's Appointment and Remuneration Policy

Your Company's policy on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub section (3) of Section 178 of the Act, as is adopted by the Board.

Your Company has adopted a comprehensive policy on nomination and remuneration of Directors and Key Managerial Personnel on the Board. As per such policy, candidates proposed to be appointed as Directors and Key Managerial Personnel on the Board shall be first reviewed by the Nomination and Remuneration Committee in its duly convened Meeting. The policy can be accessed at the following Link: https://dixoninfo.com/json/dixon/codes-policy/nomination-and-remuneration-policy.pdf.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 Read with Rules

Your Company has always believed in providing a safe and harassment free workplace for every women employee working with your Company. Your Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Your Company has a zero tolerance for sexual harassment at workplace and, therefore, has in place a policy on prevention of sexual harassment at workplace. The said policy is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The policy aims at prevention of harassment of women employees contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. Your Company has complied with the provisions relating to the constitution of the Internal Complaints Committee (ICC) and the same has been duly constituted in compliance with the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The said Committee is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

The following is a summary of sexual harassment complaints received and disposed of during the year:

a. No. of complaints received: 0

b. No. of complaints disposed of: NA

c. No. of complaints pending: 0

Also, the Company had organised sexual harassment training programmes, from time to time, for its employees and staff. The said training programmes and workshop were helpful in creating necessary awareness and to encourage cooperative environment in the organisation. From time to time the Internal Complaints Committee organises awareness sessions at the manufacturing facilities of the Company. During the year under review, the Company organised 60 workshops or awareness programmes on sexual harassment (from 1st January, 2021 till 31st December, 2021).

Reporting of Fraud By auditors

There have been no instances of fraud reported by the Statutory Auditors or Internal Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Audit Committee, the Board of Directors or to the Central Government.

Disclosure in Respect of Voting Rights not Exercised Directly By Employees

No disclosure is required under Section 67(3) (c) of the Act, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

Compliance of Applicable Secretarial Standard

During the financial year under review, your Company has duly complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Listing on Stock Exchanges

The Company's shares are listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

Directors Responsibility Statement

In terms of Section 134(5) of the Act, your directors hereby confirm that:

(a) in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards 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 at the end of the financial year and of the profit and loss of the Company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts for the financial year ended 31st March, 2022, on a going concern basis;

(e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

(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.

Key Financial Ratios

The Key financial ratios for the financial year ended 31st March, 2022 forms part of the Management Discussion and Analysis Report.

Acknowledgment

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

By the order of the Board
For Dixon Technologies (India) Limited

Sd/-
Sunil Vachani
(Executive Chairman)
DIN:00025431

Sd/-
Atul B. Lall
(Vice Chairman &Managing Director)
DIN:00781436

Date: 30th May, 2022
Place: Noida

ANNEXURE-I

DISCLOSURE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

Dixon Technologies (India) Limited laid down two stock option plans viz. Dixon Technologies (India) Limited — Employee Stock Option Plan, 2018 ('Dixon ESOP 2018') and Dixon Technologies (India) Limited — Employee Stock Option Plan, 2020 ('Dixon ESOP 2020') which provided for the grant of equity shares of the company to the eligible employees of the company and its subsidiary companies, in accordance with members approval accorded at the 25th and 27th Annual General Meeting of the Company, respectively. Pursuant to the said ESOP Plans, stock options have been granted to the employees of the Company and its subsidiaries.

Further, the Plans have been laid down in accordance with the terms of Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021 and a certificate to this effect from Secretarial Auditors of the Company, M/s Shirin Bhatt & Associates, will be placed at the ensuing Annual General Meeting. The Company has not amended the Plans during the financial year 2021-22.

A. Relevant disclosures in terms of the "Guidance Note on Accounting for Employee Share-based Payments" issued by ICAI or any other relevant accounting standards as prescribed from time to time.

Relevant details has been provided in Note no. 43 of the Notes to Standalone Financial Statements forming part of the Annual Report 2021-22 of the Company. The said disclosure have also been placed on the website of your Company and may be accessed at https://dixoninfo.com/agm.php"

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations is disclosed in the following Section C in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

C. General Terms and Conditions

Sl. No	Particulars	Dixon ESOP 2018	Dixon ESOP 2020
1	General Terms and Conditions		
A	Date of shareholders' approval	25th July, 2018	29th September, 2020
B	Total number of options approved under ESOS	25,00,000	15,00,000
C	Vesting requirements	The options granted shall vest based upon the performance of the Employee, as may be determined by the Compensation Committee from time to time but shall not be less than 1 (one) and not more than 4 (four) years from the date of grant of options. Vesting may happen in one or more tranches.	The options granted shall vest based upon the performance of the Employee, as may be determined by the Compensation Committee from time to time but shall not be less than 1 (one) and not more than 5 (five) years from the date of grant of options. Vesting may happen in one or more tranches.
D.	Exercise price or pricing formula	The Exercise Price shall be based on the Market Price of the Company which shall mean the latest closing price on a recognised stock exchange on which the shares of the company are listed on the date immediately prior to the date of meeting of committee on which grant is to be made. If the Company is listed on more than one Stock Exchange, then the price of the Stock Exchange where there is highest trading volume during the aforesaid period shall be considered. The Compensation Committee has a power to provide suitable discount or charge premium on such price as arrived above. However, in any case the Exercise Price shall not go below the par face value of Equity Share of the Company.	

Sl. No	Particulars	Dixon ESOP 2018	Dixon ESOP 2020
E.	Maximum term of options granted	The options granted under Scheme will vest over a period of Three years from the date of grant of options. Further the Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 4 years.	The options granted under Scheme will vest over a period of Five years from the date of grant of options. Further the Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 6 years.
F.	Source of Shares	Primary	
G.	Variation in terms of options	During the year, no amendment/ modification/ variation has been made in terms of options granted by the Company.	
2	Method used to account for ESOS	Fair Value Method	
3	Employee wise details of options granted during the year to: KMP / Senior Managerial Personnel	During the year no further stock options have been granted to the senior managerial personnel, including KMPs under the Dixon ESOP 2018. Stock options granted to the said employees in the year 2018 forms part of the Annual Report of the Company for the year 2018-19.	During the year no further stock options have been granted to the senior managerial personnel, including KMPs under the Dixon ESOP 2020. Stock options granted to the said employees in the year 2020-21 forms part of the Annual Report of the Company for the year 2020-21.
	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	None	None
	Identified employees who were granted option, 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	None	None

Sl. No	Particulars	Dixon ESOP 2018				Dixon ESOP 2020
4	Weighted-average exercise price	**Grant 2018**	**Grant 2019**	**Grant 2020**	**Grant 2022**	**Grant 2020**
		when the exercise price is equal/ exceeds to market price: **Not Applicable**	when the exercise price is equal/exceeds to market price: **Not Applicable**	when the exercise price is equal/exceeds to market price: **Not Applicable**	when the exercise price is equal/ exceeds to market price: **Not Applicable**	when the exercise price is equal/ exceeds to market price: **Not Applicable**
		when the exercise price is less than market price: ₹ 372.96/-	when the exercise price is less than market price: ₹ 418.52/-	when the exercise price is less than market price: ₹ 1434.31/-	when the exercise price is less than market price: ₹ 3458.52	when the exercise price is less than market price: ₹ 1538.26/-

Sl. No	Particulars	Dixon ESOP 2018				Dixon ESOP 2020
5	Weighted-average fair values of options	**Grant 2018**	**Grant 2019**	**Grant 2020**	**Grant 2022**	**Grant 2020**
		when the exercise price is equal/ exceeds to market price: **Not Applicable**	when the exercise price is equal/ exceeds to market price: **Not Applicable**	when the exercise price is equal/ exceeds to market price: **Not Applicable**	when the exercise price is equal/ exceeds to market price: **Not Applicable**	when the exercise price is equal/ exceeds to market price: **Not Applicable**
		when the exercise price is less than market price: ₹ 153.732/- each	when the exercise price is less than market price: ₹ 256.12/- each	when the exercise price is less than market price: ₹ 459.554/- each	when the exercise price is less than market price: ₹1880.66/- each	when the exercise price is less than market price: ₹ 754.826/- each
6	Description of the method and significant assumptions used during the year to estimate the fair value of options	Fair Value Method (Black Scholes Model). Some of the basic assumptions used in the Black-Scholes model are – Markets are efficient: This assumption suggests that people cannot consistently predict the direction of the market or an individual stock. The Black-Scholes model assumes stocks move in a manner referred to as a random walk. Random walk means that at any given moment in time, the price of the underlying stock can go up or down with the same probability. The price of a stock in time t+1 is independent from the price in time Interest rates remain constant and known: The Black -Scholes model uses the risk-free rate to represent this constant and known rate. Returns are normally distributed: This assumption suggests returns on the underlying stock are normally distributed. Constant volatility- The most significant assumption is that volatility, a measure of how much a stock can be expected to move in the near-term, is a constant over time. While volatility can be relatively constant in very short term, it is never constant in longer term. Some advanced option valuation models substitute Black-Scholes constant volatility with stochastic-process generated estimates. Liquidity- the Black-Scholes model assumes that markets are perfectly liquid and it is possible to purchase or sell any amount of stock or options or their fractions at any given time.				
7	Weighted-average values of share price	**Grant 2018**	**Grant 2019**	**Grant 2020**	**Grant 2022**	**Grant 2020**
		The fair value is computed using the existing share price of the company, for which we have taken the closing market price of the previous trading day of the grant date at NSE i.e ₹ 414.4/- per share.	The fair value is computed using the existing share price of the company, for which we have taken the closing market price of the previous trading day of the grant date at NSE i.e ₹ 597.88/- per share.	The fair value is computed using the existing share price of the company, for which we have taken the closing market price of the previous trading day of the grant date at NSE i.e ₹ 1593.68/- per share.	The fair value is computed using the existing share price of the company, for which we have taken the closing market price of the previous trading day of the grant date at NSE i.e ₹ 4323.15/- per share.	The fair value is computed using the existing share price of the company, for which we have taken the closing market price of the previous trading day of the grant date at NSE i.e ₹ 1809.72/- per share.
8	Exercise Price	**Grant 2018**	**Grant 2019**	**Grant 2020**	**Grant 2022**	**Grant 2020**
		₹ 372.96/-	₹418.516/-	1434.312/-	₹ 3458.52/-	1538.262/-

Sl. No	Particulars	Dixon ESOP 2018				Dixon ESOP 2020
9	Expected Volatility	Vest 1; Vest 2 & Vest 3 is 36.37%	Vest 1 & Vest 2 is 36.05%	Vest 1 is 45.61%	Vest 1: 44.06% Vest 2: 43.61% Vest 3: 41.78%	Vest 1: 47.88% Vest 2: 41.82% Vest 3: 41.14% Vest 4: 41.14% Vest 5: 41.14%
10	Expected Option Life	**Grant 2018** The Options granted will vest over a maximum period of 3 years from the date of grant.	**Grant 2019** The Options granted will vest over a maximum period of 2 years from the date of grant.	**Grant 2020** The Options granted will vest over a maximum period of 1 year from the date of grant.	**Grant 2022** The Options granted will vest over a maximum period of 3 years from the date of grant.	**Grant 2020** The Options granted will vest over a maximum period of 5 years from the date of grant.
11	Expected Dividends	**Grant 2018** The Dividend Yield is 0.06%.	**Grant 2019** The Dividend Yield is 0.07%.	**Grant 2020** The Dividend Yield is 0.09%.	**Grant 2022** The Dividend Yield is 0.07%.	**Grant 2020** The Dividend Yield is 0.09%.
12	The risk-free interest rate	**Grant 2018** The Risk free rate for first, second and third vesting is 7.65%, 7.65% and 7.68% respectively.	**Grant 2019** The Risk free rate for first and second vesting is 6.08% respectively.	**Grant 2020** The Risk free rate for vesting is 4.19%.	**Grant 2022** The Risk free rate for first, second and third vesting is 5.20%, 5.45% and 5.67%, respectively.	**Grant 2020** The Risk free rate for first, second, third, fourth and fifth vesting is 3.93%, 4.42%, 4.82%, 5.17% and 5.45% respectively.
13	The method used and the assumptions made to incorporate the effects of expected early exercise	Not Applicable, as options granted cannot be exercised before the vesting of option.				
14	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The volatility has been determined as the annualized standard deviation of the continuously compounded rate of return of the stock over a period of time. The Expected volatility has been based on the historical volatility for a period that approximates the expected life of options being valued.				
15	Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	No other features have been considered for valuation of the options.				
16	Diluted EPS on issue of shares pursuant to Dixon ESOP 2018 & Dixon ESOP 2020 (Nominal value of share ₹ 2)	₹ 25.38 (Standalone basis) ₹ 32.00 (Consolidated basis)				

OPTION MOVEMENT DURING THE YEAR UNDER DIXON ESOP 2018

Particulars	Details of Dixon ESOP 2018
Options outstanding at the beginning	
Dixon ESOP 2018- Grant- I	462600
Dixon ESOP 2018- Grant- II	12250
Dixon ESOP 2018- Grant- III	72500
Options Granted during the year	
Dixon ESOP 2018- Grant- IV	26500
Options Forfeited and expired during the year	
Dixon ESOP 2018 – Grant I	11000
Dixon ESOP 2018 – Grant -III	10000
Number of options vested during the year	
Dixon ESOP 2018- Grant I	451600
Dixon ESOP 2018- Grant II	12250
Dixon ESOP 2018- Grant III	62500
Options Exercised during the year and number of shares arising as a result of exercise of options	
Dixon ESOP 2018- Grant I	451600
Dixon ESOP 2018- Grant II	12250
Dixon ESOP 2018- Grant III	62500
Money Realized by exercise of options	
Dixon ESOP 2018- Grant I	168428736
Dixon ESOP 2018- Grant II	5126821
Dixon ESOP 2018- Grant III	89644500
Options Outstanding at the end	
Dixon ESOP 2018- Grant IV	26500
Options Exercisable at the end of the year	-

OPTION MOVEMENT DURING THE YEAR UNDER DIXON DIXON ESOP 2020

Particulars	Details of Dixon ESOP 2020
Options outstanding at the beginning	
Dixon ESOP 2020- Grant I	1234150
Options Granted during the year	
Dixon ESOP 2020	-
Options Forfeited and expired during the year	
Dixon ESOP 2020- Grant I	103000
Number of options vested during the year	
Dixon ESOP 2020- Grant I	246230
Options Exercised during the year and number of shares arising as a result of exercise of options	
Dixon ESOP 2020- Grant I	246230
Money Realized by exercise of options	
Dixon ESOP 2020- Grant I	378766251.40
Options Outstanding at the end	
Dixon ESOP 2020- Grant I	884920
Options Exercisable at the end of the year	-

Note:

Pursuant to the approval of the shareholders accorded on March 7, 2021 vide postal ballot conducted by the Company, each equity share of face value of ₹ 10/- per share was subdivided into five equity shares of face value of ₹ 2/- per share, with effect from March 19, 2021, consequently, the numbers of stock options presented in this annexure stands adjusted effective 19th March, 2021.

ANNEXURE-II

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31ST, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Dixon Technologies (India) Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dixon Technologies (India) Limited** (hereinafter called the "**Company**"). 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.

Auditor's Responsibility

1. The responsibility of the Auditor is only to express opinion on the compliance with the applicable laws and maintenance of records based on the evidences collected, information received and Records maintained by the Auditee or given by the Management.

2. The audit was conducted in accordance with applicable standards issued by the Institute of Company Secretaries of India (the "**Standards**") and the Standards require that we comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of Records. Accordingly, we have obtained reasonable assurance about whether the statements prepared, documents or Records maintained by the Auditee are free from misstatement.

3. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Our Opinion

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended 31st March, 2022, generally 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 period ended 31st March, 2022 to ascertain the compliances of various provisions of:

a) The Companies Act, 2013 (the "**Act**") and the Rules made thereunder;

b) The Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the Rules made thereunder;

c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

d) *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;

e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"):

   i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014;

   v) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

vi) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

vii) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

viii) *The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

*Not applicable as there was no reportable event during the audit period.

f) As confirmed by the management there are no laws which are specifically applicable to the Company.

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India.

b) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the audit period, the Company has generally complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above.

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all directors to schedule the Board and other Committee meetings. Agenda and detailed notes on agenda were sent at least seven days in advance except for meetings of the Board which were convened at shorter notice in compliance with Section 173 of the Act wherein Independent Director(s) were present and detailed notes on agenda were provided at such meetings 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.

c) Majority decision is carried through in each such meetings of the Board and committees of the Board. Further during the course of audit, we have not come across the views of dissenting members recorded as part of the minutes.

d) We further report that based on the information received and records maintained 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 the applicable laws, rules, regulations, and guidelines.

We further report that during the audit period following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

- The Company allotted 7,72,580 equity shares of face value of ₹ 2/- each under the Dixon Technologies (India) Limited-Employee Stock Option Plan, 2018 and Dixon Technologies (India) Limited- Employee Stock Option Plan, 2020.

- The Board of directors regularised the appointment of Mr. Rakesh Mohan (DIN: 02790744) as a Director of the Company in the capacity of Non-Executive and Independent Director for a term of 05 consecutive year commencing from 2nd February, 2021 till 1st February, 2026.

- The company made Alteration under clause III of object clause of the memorandum of association of the company by way of postal ballot the last date of voting for which was 12th May, 2021.

For **Shirin Bhatt & Associates**
Company Secretaries
Firm Registration No. S2011DE162600

Shirin Bhatt
Proprietor
C.P. No. 9150
M. No. F8273
PR No. 1209/2021

Place: Greater Noida
Date: 30.05.2022
UDIN: F008273D000431795

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-A

To,
The Members
Dixon Technologies (India) Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records 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 followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial statements of the Company.
4. Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the 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 **Shirin Bhatt & Associates**
Company Secretaries
Firm Registration No.
S2011DE162600

Shirin Bhatt
Proprietor
C.P. No. 9150
M. No. F8273
PR No. 1209/2021

Place: Greater Noida

Date: 30.05.2022

UDIN-F008273D000431795

ANNEXURE-III

CORPORATE SOCIAL RESPONSIBILITY REPORT

(Pursuant to Section 135 of Companies Act, 2013)

1. Brief outline of the Corporate Social Responsibility (CSR) Policy

Dixon Technologies (India) Limited ("Your Company") has a value system of giving back to society and improving life of the people and the surrounding environment. Your Company believes in corporate excellence and social welfare. The Company's CSR initiatives are inspired by the opportunity to contribute to a more secure and sustainable future. Your Company believes that the corporate strategy which embraces social developments as an integral part of the business activities ensure long term sustainability of business enterprises. With this belief, the Company is committed to make substantial improvements in the social framework of the nearby community.

Your Company has a CSR policy in place, to identify the activities relating to areas identified under Schedule VII of the Companies Act, 2013, which aims to ensure that we continue to operate our business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all stakeholders.

During the financial year under review your Company considering the pandemic COVID-19, focused on promotion and development of healthcare system in the society. Besides its contribution in the area of healthcare, the Company continued its contribution in the area of child education, eradicating hunger, welfare of helpless old people of the society and welfare of the citizen of the Society. The details are also provided on the website of the Company: https://dixoninfo.com/csr.php

2. The Composition of CSR Committee

Pursuant to the provisions of Section 135 of the Act, the Board of Directors constituted the Corporate Social Responsibility (CSR) Committee. The Members of CSR committee are as follows:

Sl. No	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sunil Vachani	Chairman	4	4
2	Mr. Atul B. Lall	Member	4	4
3	Dr. Manuji Zarabi	Member	4	4

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

Composition: https://dixoninfo.com/board-committees.php

CSR Policy: https://dixoninfo.com/json/dixon/codes-policy/Corporate%20Social%20Responsibility%20Policy%20-%2031.05.2021.pdf

CSR project: https://dixoninfo.com/csr.php

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Not Applicable

6. Average net profit of the company as per Section 198 of the Companies Act, 2013 for last three financial years are as follows:

(Amount in ₹)

S.No.	Financial Year	Net profit /(loss)
1.	2020-21	2,147,799,252
2.	2019-20	1,476,789,962.14
3.	2018-19	836,501,499.09
	Average Net Profit	1,487,030,238

7. (a). Two percent of average net profit of the company as per section 135(5) is ₹ 29,740,605./-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – **Not Applicable**.

(c) Amount required to be set off for the financial year,- **Not Applicable**

(d) Total CSR obligation for the financial year (7a + 7b - 7c). – ₹ 29,740,605/-.

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
₹ 29,740,605/-	NA	NA		NA	

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

1	2	3	4	5	6	7	8	9	10	11
Sl No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR number
1	Welfare of helpless, old and other oppressed people of the society	setting up homes	Yes	Delhi		920,956	No	Guru Vishram Vridh Ashram	CSR00000665
2	Promoting Health Care (Distribution of 2 life support Ambulances)	Promoting health care including preventinve health care	Yes	Uttarakhand		4317919	No	Through State Govt of Uttarakhand	NA
3	Promoting Health Care (Contribution of Swasit Ventilators, oxygen concentrators etc.)	Promoting health care including preventinve health care	Yes	Andhra Pradesh		47,83,700	No	State Govt. of Andhra Pradesh	NA
4	Promoting Health Care	Promoting health care including preventinve health care	Yes	Uttar Pradesh, Uttarakhand, Punjab etc.		1,82,41,630	Yes	Distribution of 300 oxygen concentrators during the pandemic	NA

1	2	3	4	5		6	7	8	
Sl No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR number
5	Promoting Health Care (Distribution of Infrared thermometer & medicines)	Promoting health care including preventinve health care	Yes	Uttarakhand		2,76,400	No	Youth Foundation, Uttarakhand	CSR00013454
6	Education	promoting education	Yes	Delhi		500,000	No	Nav Abhiyan	CSR00026321
7	Children education	promoting education	Yes	Delhi		500,000	No	Labhya foundation	CSR00006649
8	Aid in the field of sports to young deserving players.	Training to promote rural sports, nationally recognized sports	Yes	Delhi		200,000*	No	Champa Devinder Dhingra Sports Trust'	

*Note- Form CSR-1 not provided. Hence, the said amount of ₹ 200,000 to be transfered/ulilized in accordance with the treatment provided in section 135(5) of the companies act, 2013.

(d) Amount spent in Administrative Overheads - **Not Applicable**

(e) Amount spent on Impact Assessment, if applicable - **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ **2,97,40,605/-**

(g) Excess amount for set off, if any – **Not Applicable**

S.No.	Particular	Amount (in ₹)
i.	Two percent of average net profit of the company as per section 135(5)	₹ 2,97,40,605/-
ii.	Total amount spent for the Financial Year	₹ 2,97,40,605/-
iii.	Excess amount spent for the financial year [(ii)-(i)]	Nil
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1	2021-22	NA	NA	NA	NA	NA	NA
2	2020-21	NA	NA	PM CARES FUND	₹ 6742072/-	24th Sep, 2021 and 27th Sep, 2021	NA
3	2019-20	NA	NA	NA	NA	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Not Applicable

    (a) Date of creation or acquisition of the capital asset(s).

    (b) Amount of CSR spent for creation or acquisition of capital asset.

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - Not Applicable.

Sd/-

Sunil Vachani
(Chairman)
DIN:00025431

Sd/-

Atul B. Lall
Vice Chairman & Managing Director
DIN:00781436

Place: Noida
Date: 30th May, 2022

ANNEXURE-IV

Business Responsibility Report

Business Responsibility Report ("report") is a disclosure mandated by the Securities and Exchange Board of India (SEBI) and the National Voluntary guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs, India for the top 500 listed companies. Since these companies have funds raised from the public, it implies involvement of an element of public interest. The report is a tool designed to help these companies understand the principles and core elements of responsible business practices. The scope of this report is Dixon Technologies (India) Limited's, ("Company"/ Dixon) Indian operations, including all businesses under its operational control.

This Business Responsibility Report (BRR) is one of the avenues to communicate the Company's obligations and performance to all its stakeholders for FY 2021-22.

Section A - General Information

Corporate Identity Number	L32101UP1993PLC066581
Name of the Company	Dixon Technologies (India) Limited
Registered Address	B-14 & 15 Phase-II Gautam Buddha Nagar Noida UP -201305
Website	www.dixoninfo.com
Email ID	investorrelations@dixoninfo.com
Financial Year reported	April 1, 2021 –March 31, 2022
Sector(s) that the Company is engaged in (industrial activity code-wise) National Industrial Classification – Ministry of Statistics and Programme Implementation	LED TV: 264 LED Bulb- 274 Washing Machine- 275
List three key products / services that the Company manufactures / provides (as in balance sheet)	LED TV LED Bulb, Downlighter and Batten Washing Machines
Total number of locations where business activity is undertaken by the Company a. Number of International Locations (Provide details of major 5) b. Number of National Locations	Manufacturing Locations: a. Nil b. The Company's businesses and operations are spread across 18 locations in the country. Details of plant locations are provided in the Corporate Governance Report.
Markets served by the Company - Local / State / National / International	The Company has B2B business model.

Section B - Financial Details

Paid up capital	₹ 1,187 lakhs (5,93,41,935 Equity shares @ ₹ 2/- each)
Total turnover	₹ 7,48,441 lakhs
Total profit after taxes	₹ 15,096 lakhs
Total spending on Corporate Social Responsibility (CSR) as percentage of average Net Profit of the Company for last 3 financial years.	Refer Annexure III of the Director's Report on Corporate Social Responsibility (calculated as per Section 135 of the Companies Act, 2013)
List of activities in which CSR expenditure as above has been incurred	Please refer Annexure III of the Annual report on Corporate Social Responsibility activities forming part of Director's Report.

Section C- Other Details

Details of Subsidiary of the Company	As on 31st March, 2022, the Company has Five subsidiary Companies- 1. Dixon Global Private Limited 2. Padget Electronics Private Limited 3. Dixon Electro Manufacturing Private Limited 4. Dixon Technologies Solutions Private Limited 5. Dixon Electro Appliances Private Limited
Details of the Company's subsidiaries participating in BR initiatives	There is no direct participation of the Company's subsidiaries in the BR initiatives of your Company
Details of entities (suppliers and distributors, among others) that the Company does business with, who participate in the Company's BR initiatives, along with the percentage of such entities (Less than 30%, 30-60%, more than 60%)	There are no such Entities that the Company does business with and who participate in the Company's BR Initiatives.

Section D - Business Responsibility (BR) Information

1. Details of Directors/ Directors responsible for BR	
A. Details of Director / Directors responsible for implementation of BR policy/policies	
- DIN	00781436
- Name	Atul B. Lall
- Designation	Vice Chairman & Managing Director
B. Details of the BR head	
- DIN	00781436
- Name	Atul B. Lall
- Designation	Vice Chairman & Managing Director
- Telephone No	0120-4737200
- E mail Id	info@dixoninfo.com
2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)	
P1. Ethics, Transparency and Accountability	Y
P2. Sustainable Products and Services	Y
P3. Employees' wellbeing	Y
P4. Stakeholder Engagement	Y
P5. Protecting Human Rights	Y
P6. Reducing Environmental Impact	Y
P7. Responsible Policy Advocacy	Y
P8. Inclusive Growth & Equitable Development	Y
P9. Providing Value to Customers	Y

The responses regarding the above 9 principles (P1 to P9) are given below:

Sl. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for Principles	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If Yes, specify?	Yes, the policies are based on and compliant with the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Yes, all the policies have been approved by the Board and have been signed by the Vice Chairman & Managing Director.								
5.	Does the Company have a specified committee of the Board/Director / Official to oversee the implementation of the policy?	No, the Company does not have any specified committee of the Board to oversee the policy instead the Board has appointed Mr. Atul B. Lall, Vice Chairman & Managing Director, to oversee policy implementation.								
6.	Indicate the link for the policy to be viewed online?	www.dixoninfo.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8.	Does the Company have in-house structure to implement the policy/ policies?	Yes								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Yes								
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	The Vice Chairman & Managing Director has carried out the independent evaluation of the working of the policy.								

3. Governance related to BR:

Indicate the frequency with which the Board of Directors, Committees of the Board or CEO assess the BR performance of the Company? Within 3 months, 3-6 months, Annually, More than 1 year	The Vice Chairman & Managing Director annually assesses the BR performance of the Company for ensuring the effectiveness and relevance of BR initiatives.
Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, the Company publishes the information on BR every year which forms part of Annual report of the Company. The same can be accessed on the website of the Company at www.dixoninfo.com

Section E- Principle-wise Performance

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the group/Joint Ventures/Suppliers/ Contractors/ NGOs/ Others?	Our Corporate Governance practices apply across the entire Dixon Group. Dixon has adopted the Code of Conduct which complies with all the legal requirements of the applicable rules and regulations including anti-bribery and corruption & guides its employees and directors to conduct business in an ethical, responsible and transparent manner. It also covers all dealings with suppliers, customers and other business partners and other stakeholders. The Code forms an integral part of the induction of new employees. The Company has zero tolerance approach towards bribery and corruption. The Company ensures compliance of ethical standards by its vendors and contractors through appropriate clauses in its contracts to which they are obligated. The contracts include clauses in relation to anti-corruption law, confidentiality, human rights etc.

2. How many Stakeholders Complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	The Company's stakeholders include investors, clients, employees, vendors/ partners, government and local communities. For details on investor complaints and resolution, refer to the 'Statement of Investor Complaints' published quarterly and available in the Corporate Governance Report of this Annual Report. Your Company being in Manufacturing industry does receive client's/customer's queries/feedback which are duly attended to and addressed to satisfaction of the Stakeholders. Further, a total of 44 Investor complaints were received during the FY 2021-22 which have been duly addressed and satisfactorily resolved. The Stakeholders Relationship Committee of the Company at its meeting held quarterly, reviews the complaints and the status of their resolution. Further, there were no cases of violation of the Company's Code of Conduct in FY 2021-22. No case was reported under the Company's Whistle Blower Policy during the year. Also, if required the investors/shareholders of the Company can submit their feedback, in the form of a survey about the Company and its operations, which is available on the website of the Company under "investors' section.
Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle	
1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities	Dixon is a company engaged in inter-alia manufacturing of the products in the consumer durables, lighting, home appliances, mobile phones and other electronic items in India. Also, each of our manufacturing facilities are non-polluting entities. At Dixon, we acknowledge that the path of sustainable development requires commitment, goodwill and passion for which we rely on nourishing ideas and innovation. Your Company has adopted sustainability as the main goal and protecting the environment is the key to meet its goal. Our products are manufactured keeping in mind their resource efficiency in their developing and use phase. Most of the products manufactured are energy efficient. In order to reduce the industrialization impact, your Company has adopted the Restriction of Hazardous Substances Directive (RoHS) process. Through this process, the Company restrict the use of six hazardous materials, including Lead (Pb), Mercury (Hg), Cadmium (Cd), Hexavalent Chromium (Cr6), Polybrominated Biphenyls (PBB) and Polybrominated Diphenyl Ether (PBDE), in the manufacturing of electrical and electronic devices. Also, your Company ensures that the amount of Carbon dioxide emissions in the atmosphere as a result of the business and production activities is minimum through its Carbon disclosure program under which we keep a track of the carbon dioxide emissions and take appropriate actions wherever necessary to keep the carbon emissions to its minimum levels. This way your Company is also contributing a carbon footprint strategy in the organisation.
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): (a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	With a diverse portfolio of products, calculating our environmental performance per product poses unique challenges. But still, the Company is committed to conservation and optimal utilization of all resources, reducing waste to zero and full recovery of unavoidable by-products. The Company has taken efforts towards clean energy. As part of go-green initiative, your Company has already installed solar roof tops panels to reduce dependency on non-renewable sources at its various facilities. This has enabled your Company to reduce costs and increase operational efficiency. The Company is careful of its water consumption also and in this regard, the Company has taken several measures towards waste water treatment such as the Company, at its own cost and efforts, has commissioned Sewage treatment plants (STP) in few of our manufacturing facilities. The said STP plants are being monitored and supervised on daily basis. With the help of the said STP plants, the Company is successful in treating the waste water and thereby reducing water consumption. In a similar way, the Company follows a series of Environmental Performance Indicators to monitor its efforts for sustainable use of natural resources in its manufacturing.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Believing in responsible Sourcing, we are committed to ethical, legal, safe, fair and environmentally responsible business practices. The Company has developed supplier intimacy and goodwill which enables the Company to source quality raw materials even when there is scarcity of raw material in Market. We engage with local suppliers for sustainable sourcing. Adequate steps are taken for ensuring safety during transportation. Company has a responsible supply chain policy. Our Contracts have appropriate clauses and checks to prevent the employment of child labour or forced labour in any form. Our suppliers are being regularly updated about company policies, quality guidelines and business plan. We believe in integrating sustainability aspects at the stage of selecting a supplier covering financial health, statutory & regulatory compliances, energy & environment management, safety & fire compliance, etc. We further encourage our supply chain partners to follow aspects of sustainable manufacturing in their business as well.
4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The Company's criteria for selection of goods and services is reliability, quality and price. Regular assessments are made by the Company for the key suppliers and local vendors. We are continuously working for exploring and selecting competent suppliers locally, thereby supporting government's initiative of "Atmanirbhar Bharat Abhiyaan". Frequent visits, if required are also arranged by the officials of the Company to the work stations of these local vendors for betterment of processes and quality of products. Moreover, the concerted efforts of the Company over the years have led to the creation of sustainable livelihoods for local people in the vicinity of its business units.
5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste). Also, provide details thereof, in about 50 words or so.	In our commitment for ensuring a greener tomorrow, we at Dixon strive to reduce and recycle our waste. We have a strong processes and system in place which ensures that we minimize generation of waste. Our waste management strategy is framed around the 3 R's – Reduce, Reuse, and Recycle. The Company follows appropriate treatment or disposal of hazardous/non-hazardous waste in adherence to applicable legislations. The Company has set up Sewage Treatment Plants (STP) at its manufacturing facilities which re-cycle the Sewage/waste water generated from these manufacturing facilities and treated water is utilized in development of greenbelt and plantation. The Company has also entered into an agreement with Greeniwa Recycler Pvt Ltd, a recycler for recycling and disposal of E-waste generated and with M/s Steam Oil & General Industries for disposal of hazardous oil waste during the manufacturing process. In the future, the Company will strive to continue the mechanism in all spirits.
Principle 3: Businesses should promote the wellbeing of all employees	
1. Please indicate the Total number of employees.	Permanent: 1755 & Contractual: 11,971
2. Please indicate the Total number of employees hired on temporary/ contractual/causal basis	Contractual: 11,971
3. Please indicate the number of permanent women employees	44
4. Please indicate the Number of permanent employees with disabilities	Nil
5. Do you have an employee association that is recognized by management	Yes, the Company is having employee associations/Worker Committee at 12 of its units consisting of minimum 8 members in each of such association

6. What percentage of your permanent employees is member of this recognised employee association?	80%
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	The Company does not engage in any form of child labour/forced labour/ involuntary labour and does not adopt any discriminatory employment practices. The Company has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination. No complaint of Sexual Harassment was received during the year and the same was satisfactorily dispose by the Management of the Company.
8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
a. Permanent Employees	Nil
b. Permanent Women Employees	Nil
c. Casual/Temporary/Contractual Employees	100%
d. Employees with Disabilities	Nil

Principle 4: Stakeholder Engagement

We firmly believe that Stakeholder Engagement is critical for the sustainable growth of our business. We define our key stakeholders as individuals and organizations that affect or are affected by our business. We believe in maintaining an open, honest and clear communication with our stakeholders, recognising that our success and sustainability depends on their input and active involvement.

1. Has the company mapped its internal and external stakeholders? Yes/ No	Yes, as a result of regular and extensive stakeholder engagement over many years, the Company's business operations have evolved, balancing business priorities and responsibility towards economic, environmental and social sustainability. The Company builds trust through productive relationships, fosters working partnerships and considers stakeholders both internal and external as integral to its business.
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	The Company has employed Nil disabled persons (contractual basis).
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	Being a responsible corporate citizen, we focus on taking everyone along in our journey of growth. Our agenda of sustainability provides for key focus on Social responsibility and its delivery. The Company believes that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth. The Company has under its various CSR initiatives has contributed to non- government organisations in support of their initiatives for under privileged child education, old age homes and disabled people. The details of such CSR Activities are specified in the CSR section of the Director's report.
Principle 5 – Human Rights:	
1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?	At Dixon, stakeholder engagement is a key pillar of sustainability that encompasses policies and programmes which supports recognized human rights and seeks to avoid human rights abuses. Yes, all companies in Dixon Group, including employees and contractors are covered by this policy.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Nil
Principle 6 – Protection of Environment:	
1. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others	The Company's environment, health and safety policy covers all the employees of Dixon Group and all the interested parties and public.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? If yes, please give hyperlink for webpage etc?	Yes, the company has strategies/ initiatives towards addressing the global environmental issues. The Company is vigilant of the emerging challenges like climate change, global warming and investing in measures that convert these challenges into opportunities. Global environmental issues our addressed as a part of our business context and our moral duty towards the environment. Increase use of renewable energy, clean fuels and environment friendly materials, energy efficient products, conservation measures, reducing dependence on limited resources are an ongoing activities. The policy can be accessed using https://dixoninfo.com/json/dixon/codes-policy/business-responsibility-policy.pdf
3. Does the Company identify and assess potential environment risks? Y/N	Yes. As part of Environmental Management System (EMS), the environmental risks are identified, assessed through Environmental Aspect and Impact Assessments. Based on this, Environmental Management Programs (EMP) are initiated.
4. Does the company have any project related to Clean Development Mechanism? If so, provide details therefor, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?	The Company has adopted Carbon disclosure program. Under this program your company keeps a track of the carbon dioxide emissions from its business activities and takes appropriate actions wherever necessary to keep the carbon emissions to its minimum levels. Moreover, projects on clean technology, energy efficiency, renewable energy are part of continuous ongoing activities in plants.
5. Has the Company undertaken any initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	The company believes that climate change is a defining issue of our time and we must act responsibly to mitigate its impact. The Company strives to adopt process improvement measures and invest in efficient technologies to reduce its impact on the environment Some of the major initiatives includes, rainwater harvesting at Sites, sewage and effluent treatment plants for recycling wastewater etc. Also, Solar Power Plant installed with rating of 134.64 KW, For energy efficiency we are doing regular monitoring of power & diesel consumption with lights on & off in lunch time, air leakage monitoring & other kaizens in different areas. The details of initiatives taken for conservation of energy are given in Annexure-V to the Board's Report.
6. Are the Emissions/ Waste generated by the company within the permissible limits given by CPCB/ SPCB for the financial year being reported?	The Company is in compliance with the applicable environmental laws and regulations. The Company's emissions, effluents and waste are within Central and State Pollution Control Boards permissible limits. Yes, we comply with all applicable environmental legislations in the locations we operate in.
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year	The Company did not receive any show cause/ legal notices received from CPCB/SPCB
Principle 7 – Responsible Advocacy:	
1. Is your company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with.	The Chairman of the Company, Mr. Sunil Vachani has been elected as Vice President (South) of Consumer Electronics and Appliances Manufacturers Association, for the term 2021-23 Mr. Atul B Lall, Vice Chairman and Managing Director of the Company has been elected as Vice President of Electronic Industries Association Of India ("ELCINA") Also, Mr. Sunil Vachani, has been conferred with Electronics Man of the Year by "ELCINA" for the year 2020-21. **The Chairman** has been bestowed with many accolades including the prestigious '**EY Entrepreneur of the Year™ 2021' award (Manufacturing)**.
2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	Our Advocacy efforts are championed across the world by our senior leaders. The senior leaders are part of national governance bodies Mr. Sunil Vachani and Mr. Atul B. Lall uphold the production of energy efficient consumer durables and also commends usage of renewable sources of energy. CEAMA plays a strategic role in creating value add for the consumer electronics and appliances industry through sustainable engagement with various stakeholders.

Principle 8 – Inclusive Growth and Equitable Development:	
1. Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes, our strategy of doing business is supported by our careful concern towards society. The Company considers organisational success and welfare of communities as inter-dependent. It understands the importance of inclusive growth for developing the economy as a whole. The Company undertakes the initiatives through the CSR committee of the Board as per the CSR policy of the Company. The details of such initiatives form part of 'Annexure III of this report.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?	Our programmes/ initiatives are undertaken towards welfare of community are strategically designed and implemented. The CSR projects have been carried out by the Company by partnering with NGOs.
3. Have you done any impact assessment of your initiative?	The Company assesses the impact of the CSR Projects and Programs undertaken at its Board and CSR Committee meetings. An update on the CSR project and programs is placed at the Board and CSR Committee meetings for their review and assessment.
4. What is your company's direct contribution to community development projects- Amount in Rupees and the details of the projects undertaken.	For detailed information with regard to direct contribution and list of activities in which expenditure above has been incurred, please refer the Annual Report on Corporate Social Responsibility activities annexed to the Directors' Report.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	Our efforts towards betterment of society through various interventions are being successfully adopted by the community. Dixon's CSR initiatives are rolled out with non-profit & Govt. organizations. Most of the projects involve community participation and are designed by NGOs with due consultation with the communities. Company's Representatives track the reach and take necessary steps to make it successful. The Company's representatives ensure that the initiatives so taken are providing the intended benefit to the community as desired.
Principle 9 – Customer Value:	
1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	None
2. Does the company display product information on the product label, over and above what is mandated as per local laws?	Not applicable since the Company follows the packaging instructions given by its Clients.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No cases were filed by any stakeholders against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years.
4. Did your company carry out any consumer survey/ consumer satisfaction trends?	The Company's Business model is B2B. Customer feedback is gathered at the end of key customer interactions, during delivery of Manufactured product. The Company gathers the required information from the business partners with whom the Company carry out the business operations. The Company is not directly engaged with the end customers. Therefore the Company does not carry out any consumer survey/consumer satisfaction trends.

By the order of the Board
For Dixon Technologies (India) Limited

Sd/-
Sunil Vachani
(Executive Chairman)
DIN:00025431

Sd/-
Atul B. Lall
(Vice Chairman &Managing Director)
DIN:00781436

Date: 30th May, 2022
Place: Noida

ANNEXURE-V

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT FLOW

a. Conservation of energy:

Environmental sustainability is embedded in the Dixon Environmental policy which reflects that the Company pursues the path of Industrial development in harmony with the environment. As part of long term sustainability, your Company ensures that the products, packaging and operations are safe for employees, consumers, stakeholders and the environment. Your Company ensures this with a focus on technologies, processes and improvements that matter for the environment. As an organization, your Company is committed to the goal of sustainable and inclusive growth. As a manufacturer of electrical products, your Company has a special responsibility towards energy conservation. This is reflected in our product development efforts and process upgrades. Energy conservation has always been the top priority of your Company and it has recognized the importance of energy conservation in decreasing the harmful effects of Global Warming and climate change. Your Company's manufacturing units are ISO. 13845 medical device quality management, ISO 9001 quality management system, ISO 14001 Environment Management System, ISO45001, Occupational Health and Safety,

In order to reduce the industrialization impact, Your Company has adopted the Restriction of Hazardous Substances Directive (RoHS) process. Through this process, the Company restricts the use of six hazardous materials, including Lead (Pb), Mercury (Hg), Cadmium (Cd), Hexavalent Chromium (Cr6), Polybrominated Biphenyls (PBB) and Polybrominated Diphenyl Ether (PBDE), in the manufacturing of electrical and electronic devices. Also, as part of our go-green initiative, the Company has installed solar roof tops panels to reduce dependency on non-renewable sources at its facility situated at Noida. This will enable your Company to reduce costs and increase operational efficiency.

Also, your Company ensures that the amount of Carbon dioxide emissions in the atmosphere as a result of the business and production activities is minimum through its Carbon disclosure program. Under this program your company keeps a track of the carbon dioxide emissions from its business activities and takes appropriate actions wherever necessary to keep the carbon emissions to its minimum levels. This way your Company is also contributing a carbon footprint strategy in the organisation.

Furthermore, your Company is careful of its water consumption and in this regard, your Company has taken measures towards waste water treatment. In this stride, your Company, at its own cost and efforts, has commissioned Sewage treatment plants (STP) in few of our manufacturing facilities. The said STP plants are monitored and supervised on daily basis. With the help of the said STP plants, your Company is successful in treating the waste water and thereby reducing water consumption. Capital investment on energy conservation equipments were NIL during the year.

Some of the other conservative measures, which your Company has already implemented are:

a. Optimum usage of Air Conditioners throughout its premises by ensuring that there is no cool air leakage.
b. Usage of LCD monitors (energy efficient) in place of normal CRT monitors
c. Turning off lights in all floors when employees are not working
d. Turning off the air conditioners during non-peak hours and on weekends.
e. Usage of treated water to recharge ground water.
f. Installation of sun film to dissipate heat
g. Usage of LED lights for all its lighting solution

b. Technology absorption:

The technology focus for your Company has been on process improvement for better quality, lower cost, new product development and import substitution.

(i) Your company is committed to the cause of technology absorption with the state-of-the-art facilities that caters to the design and development of products under the various segments that the Company operates in;

(ii) we have dedicated design houses and development centres across three locations out of which one is DSIR approved.

(iii) For the LED TV segment, we have engineers working across Own design solutions & Technology advancement with the able support of various TV components such as Open cell, PCBA, BLU etc, this segment is steady on its path towards technological advancement. Also, we have specialized team for BOM, software, Mechanical and Electrical/Electronics Components, sheet metal, Plastic moulding, PS board/adopter development for display monitors. We also have Development Quality Assurance approval team for development and approvals. We undertake direct interactions with overseas and domestic design houses for LED TV touch and display development. We have in-house reliability & environment test Labs.;

(iv) For our washing machines, technological absorption is ensured via the facility of Environmental Chamber under which various tests are classified as per the investigation requirements. We also possess the resource of an ELT Lab which has a capacity for 45 machines in Dehradun and 100 machines in Tirupati;

(v) Pertaining to our lighting and mobile segment, we have taken decisive strides forward. In the smart bulbs, Dixon also has a global level R&D infrastructure for product testing and validation. For mobiles, the same approach exists and technology absorption is noted via Dixon's certification as a member for Android product development, in-house reliability labs for product design, cost innovation teams as well as cooperation with recognized Test Labs for product testing and validation

(vi) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Not Applicable

(vii) the expenditure incurred on Research and Development.

(a) Capital ₹ 57.17 Lakhs (Previous year – ₹ 13.29 Lakhs)

(b) Recurring ₹ 545.02 Lakhs (Previous year – ₹ 389.56 Lakhs)

(c) Total ₹ 602.19 Lakhs (Previous year – ₹ 402.84 Lakhs)

(d) Total R & D expenditures as a percentage of total turnovers : 0.08% (Previous year – : 0.07%)

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 as under:

Foreign Exchange Outgo (₹ in Lakhs):

Particulars	2021-22	2020-21
CIF VALUE OF IMPORTS GOODS	443483.58	3,80,573.43
EXPENDINTURE IN FOREIGN CURRENCY	201.12	231.19
Total	**443684.70**	**3,80,804.62**

Foreign Exchange Earnings (₹ in Lakhs):

Particulars	2021-22	2020-21
Export (FOB Basis) -	578.64	545.50

By the order of the Board
For Dixon Technologies (India) Limited

Sd/-
Mr. Sunil Vachani
Executive Chairman
DIN:00025431

Sd/-
Mr. Atul B. Lall
Vice Chairman & Managing Director
DIN:00781436

Place: Noida
Date: 30th May, 2022

Management Discussion and Analysis

Indian EMS Industry

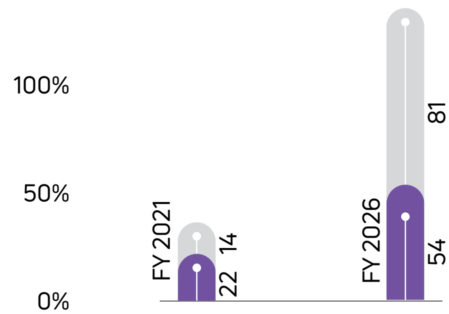
The EMS industry has grown in prominence over the last decade particularly in the last five years. The robust growth of India's electronics industry is primarily driven by huge domestic demand for products that can be attributed to a multitude of factors, including growing rising disposable incomes, favourable duty structures and large scale public procurement needs driven by Government projects such as broadband connectivity to villages, rural electrification and e-governance programs. A huge domestic market and increasing export opportunities have placed the Indian electronics industry in an enviable position on the global map. India is now being recognized for its R&D hubs, design & engineering services and Electronics System Design and Manufacturing (ESDM). India is gaining recognition as one of the best low cost destinations for manufacturing. In the recent years, with costs rising in other countries, India has been able to further expand the benefit on the cost front.

For the Electronics industry, the government clearly aims to position India as a global hub for ESDM by encouraging & driving capabilities in the country for developing core components, & creating an enabling environment for the industry to compete globally. Towards this, the Govt. has promoted entire ecosystem of the Indian electronics industry through incentive schemes such as;

- Incentive support to companies that are engaged in Silicon Semiconductor Fabs, Display Fabs and Compound Semiconductors / Silicon Photonics / Sensors (including MEMS) Fabs Semiconductor Packaging (ATMP / OSAT) and Semiconductor Design (Design Linked Incentive or DLI);
- Production Linked Incentive (PLI) for IT hardware, Large scale electronics manufacturing, White Goods, Telecom & Networking Products and others.
- Phased Manufacturing Program to promote domestic manufacturing of Mobile Phones and various sub-assemblies involved in manufacturing of Mobile Phones
- Scheme for Promotion of Manufacturing of Electronics Components and Semiconductors (SPECS)
- Electronic Manufacturing cluster (EMC) 2.0

These incentive schemes will boost investment in the entire value chain of the Indian electronics industry include designing and ensure local availability of components (Integrated Circuits (ICs), Chipsets, System of Chips (SoCs), Systems or IP Core etc. and enable Indian Electronics industry to be more self-reliant and export oriented. Development of local manufacturing ecosystem will strengthen the local supply chain thereby improving time to market, reducing lead times, saving precious foreign exchange, reducing component and logistics costs, and making electronics products more affordable in the coming years. The total addressable EMS market in India was valued at ₹ 2,654 billion (USD 36 Billion) in FY21, and is expected to grow to ₹ 9,963 Billion (USD 135 Billion) in FY26 with a CAGR of 30%. However, the contribution of Indian EMS companies is around 40%, which is valued at ₹ 1,069 Billion (USD 14 Billion) in FY21, which is expected to grow at 41% CAGR to reach ₹ 5,978 Billion (USD 81 Billion) by FY26.

Total addressable market
(USD 36 bn in FY 21)



Addressable market includes Mobile phone, television, Telecom & Networking Computer hardware, Mechanics, Electric Vehicle, Hearable & Others

Segment Overview

I. Consumer electronics

Television is one of India's fastest growing consumer electronics products. TV penetration level in India is approximately 65%, which is the highest among the consumer electronics. The market size of television was 16.3 Million units in FY21 & is expected to reach 28.2 Million in FY 26, at 12% CAGR. Smart TV market size grew by 55-65% year-on-year between 2019 and 2021, mainly driven by the availability of HD content, internet connectivity & declining prices. Dixon is the one of the largest LED TV manufacturer in India with annual capacity of 5.5 Million & have further expanded its annual capacity to 6 Million sets including backward integration in LCM and SMT lines which is the largest capacity in India catering to around 35% of India's requirement

We have a total area of more than 450,000 sq feet in our integrated campus at Tirupati which is fully backward integrated. We are further investing in injection moulding unit in the campus in line with our backward integration strategy.

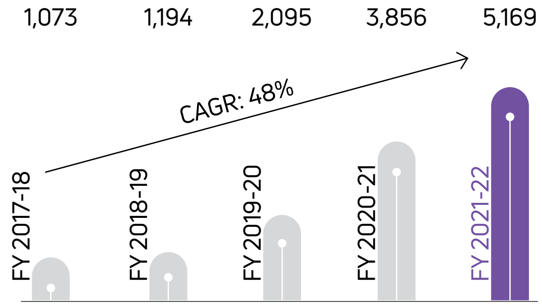
The Consumer electronics segment is largest segment of the company, which contributed 48% of total revenue. The revenue was ₹ 5,169 Crore in FY 21-22 as against

₹ 3,856 Crore in the same period of last year, a strong growth of 34%. Operating profit witnessed a growth of 20%, from ₹ 103 Crore in FY 20-21 to ₹ 125 Crore in FY 21-22

Dixon has marquee customers including both domestic & Global brands. The major customers in this segment are Xiaomi, Samsung, Hisense, VU, Nokia, Panasonic, TCL, Lloyd, Flipkart, Philips, Toshiba etc

LED Monitors: In FY 21-22, We have started manufacturing of LED monitors for Dell. & the order book is strong for current fiscal year & we expect the margins to be in similar range as LED TV.

Revenue
(Crore)



II. Lighting Products

The Indian LED lighting market reached a value of US$ 2.8 Billion in 2021 & expected to reach US$ 9.7 Billion by 2027, exhibiting a CAGR of 23% during FY21-FY27. The escalating demand for energy-efficient lighting solutions, along with the introduction of cost-effective smart LED lighting solutions with improved controls, is primarily driving the Indian LED lighting market.

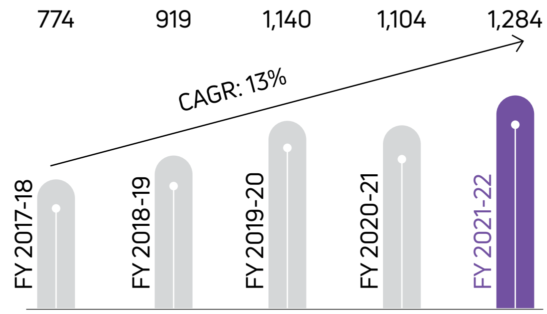
Dixon is the largest ODM player in lighting & have the largest capacity in various SKU's. In LED bulb we have a capacity of 300 Million which is 50% of the Indian requirement. We have already expanded the capacity in battens to 60 Million & Downlighter to 18 Million, which is around 50% of total Indian market requirement

We will start investing under the PLI scheme for manufacturing of LED Lighting components in FY 22-23 through our wholly owned subsidiary "Dixon Technologies Solutions Pvt Ltd" in line with our backward integration strategy which will make us even more competitive and cost effective. We will make a total investment of ₹ 100 Crore over a period of 5 years starting next fiscal year.

Lighting Segment contributed 12% of total revenue in FY 22, revenues was ₹ 1,284 Crore in FY 22 as against ₹ 1,104 Crore in same period last year and operating profit was ₹ 88 Crore in FY 22 as against ₹ 97 Crore in FY 21. We have taken decisive actions on both the cost and pricing side to mitigate the inflationary pressures and delivered strong results.

The major customers in this segment are Signify, Panasonic, Wipro, Bajaj, Syska, Orient, Polycab, Luminous, Crompton etc.

Revenue
(Crore)



III. Home Appliances:

The Indian Washing Machine Market is valued around ₹ 12,000 Crore in FY22 and expected to grow with 7.3% CAGR to reach around ₹ 18,000 Crore by FY 28. With technological advancement in the products and rising number of product variants available from multiple market players in the country is driving this growth coupled with rising disposable income and growing household expenses. Rapid growth in the urbanization and evolving lifestyle of the population in the country also play a vital role in the growth of the Indian Washing Machine Market. Increasing purchase power & product innovation, are expected to boost the Indian Washing Machine Market during the forecast period

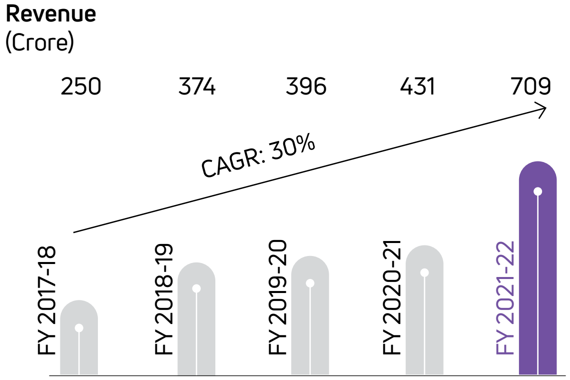
In Semi Automatic Category, company has the largest portfolio of 160 odd models ranging from 6 kg -14 kg. We are expanding our capacities to 2.4 Million annually in this category as our additional infrastructure footprint in Dehradun will be ready in FY 22-FY23, to meet the increased demand.. The demand scenario and the order book in this vertical looks healthy

In Fully automatic category, we have a capacity of 0.6 Million with 96 variants across 6.5-11 kg with Bosch as our Anchor customer. We have added new customers in this category & have entered into agreements with new customers whose production is likely to commence by Q2, FY23

We are now increasingly focussing and investing on making our segment more R&D driven to serve the industry with the latest and innovative technologies

Home Appliance segment contributed 7% to the total revenue of the company, while the revenues were ₹ 709 Crore in FY 22 as against ₹ 431 Crore in FY 21, a growth of 64% & operating profit was ₹ 54 Crore in FY 22 as against ₹ 40 Crore in FY 21, a growth of 36% led by passing on the impact of commodity costs to customers, improved operating leverage & cost optimisation measures

The major customers in this segment are Samsung, Godrej, Voltas- Beko, Panasonic, Lloyd, Flipkart, Haier, Reliance etc.



IV. Mobile Phones & EMS Division :

In FY21, the size of the Indian mobile phone market was estimated to be 263 Million units by sales volume & expected to grow at a CAGR of 11.5%, from FY21 to FY26 to reach 454 Million units by sales volume.

Smartphone market share is expected to increase by 5-7% year-on-year & expected to penetrate 76% of the total market by FY26, up from 58% in FY21 by sales volume. One of the key factors driving the growth of smart phones is the shrinking price difference between feature phones and smart phones. Aside from aesthetics, the increasing popularity of smartphones can be attributed to advancements in higher RAM, high-quality cameras, processors for faster mobile phone operation, as well as other functions such as longer battery life, better applications and larger screens.

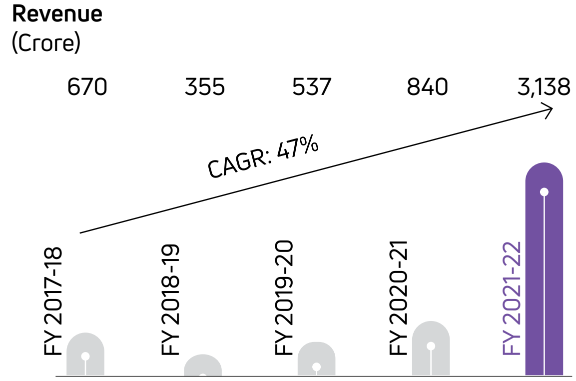
Our Motorola mobile business has now ramped up & stabilized with monthly volumes touching 400 k & we have a strong order book for both domestic & export markets

We have also started manufacturing Nokia's feature phones business in addition to smart phones, the expected monthly volumes once stabilised will be 0.5 Million units.

In addition, our Samsung order book for 4G & 5G smart phones have increased from 1 Million/month to 1.5 Million/ month & likely to grow to 1.7 Million/ month in FY 22-23

We are the first domestic company to achieve the ceiling revenues for FY 21-22 & investment thresholds prescribed under the mobile PLI Scheme & the workings of the same have been audited & appraised & the final report has also been shared by the project management agency with the Ministry of Electronics & we expect to realize the incentive claim in the coming months

Overall Mobile phone & EMS Division segment contributed 29% to overall company revenue in FY 22, The Revenue for FY 22 was ₹ 3,138 Crore as against ₹ 840 Crore in the same period of last year, a robust growth of 274%. The operating profits of the segment was ₹ 97 Crore against ₹ 40 Crore same period of last year, up 145%.



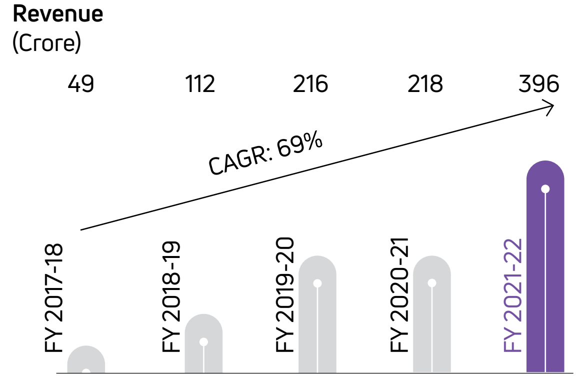
V. Set Top Box:

In this vertical, we have manufactured set top boxes for Jio (Den & Hathway), Dish TV, Siti cable, Sun TV in FY 21-22 & reported revenues of ₹ 276 Crore & order book in this vertical looks stable

VI. Security Surveillance (Camera & DVR) :

The order book in this segment looks very healthy & we are going in for further capacity expansion from 10 Million p.a to 14 Million p.a. in FY 22-23. For this, we are relocating from our existing set up in Tirupati to Kopparthy Electronic Manufacturing Cluster where we have taken 2 Lac sq ft constructed facility.

This segment contributed 4% in overall company revenue in FY 22, the 50% share of Dixon revenues was ₹ 396 Crore in FY 22 as against ₹ 218 Crore in the same period of last year. The operating profits of the segment was ₹ 15 Crore against ₹ 6.1 Crore same period of last year, a growth of 147%



New opportunities which the company is perusing:

VII. Refrigerators

Dixon has planned to initially create a capacity of 1.2 Million Direct cool category which will be further expanded to Frost Free category (Indian Market is 10 Million in Direct cool & 4 Million in other segments) under various product categories of 170L- 235L with multiple features & different star rating

The product design have been made, technology partner have been finalized & construction will commence soon on the acquired 20 acres of land in Greater Noida & orders for the machinery will be placed in FY 22-23. We have started engaging with various potential customers & the mass production is most likely to commence in FY 23-24

VIII. Laptops & Tablets/ IT Hardware Products

We started manufacturing laptops for "Acer" in Dec 21 with a healthy order book & we are also in advance stages to close an agreement for manufacturing of Tablets with one of the largest brands & the production is likely to commence in FY 22-23

Dixon is one of the beneficiaries under the PLI for "IT Hardware products" & have achieved the thresholds for investment and revenue for FY 21-22. We are keenly waiting for the revised PLI to be announced with a bigger basket of incentives.

IX. Telecom & Networking Products

We have a 51:49 JV with Beetel for manufacturing of Telecom & Networking products under the PLI scheme of the government. Currently, Our operations has started for manufacturing the ONT's, Modem, routers for Airtel & have a very strong order book in this vertical.

X. Inverter controller boards for Air conditioners

A 40:60 JV has been formed with Rexxam to manufacture Inverter controller boards for Air conditioners. Rexxam is a design & technology partner for Daikin & bring strength in PCBA designing. Rexxam wants to make India as a manufacturing hub for its customers for both domestic & export markets.

The JV Company is a beneficiary under the PLI & will make a total investment of ₹ 51 Crore over a period of 5 years.

We have finalized the manufacturing location in Noida and production to commence under the JV in FY 22-23. Revenue potential is quite immense with a healthy EBITDA margin & strong return ratios

XI. Wearables & Hearables :

Indian market is the 3rd largest market globally & one of the fastest growing markets in Wearables

We have entered into a 50:50 JV with Imagine Marketing Limited for its flagship brand "boAt" for manufacturing "Wearables & Hearables".

Currently, we are manufacturing True Wireless Stereo (TWS) of boAt and will be shifting the manufacturing to a new plant in Noida & would also start production of "Neckbands" . As the partnership strengthens more product categories like " Bluetooth speakers" & " Smart watches" which has a high growth market will also get manufactured.

Segment Overview & Financial Overview

Verticals	Product/Services	Revenue
Consumer Electronics	LED TVs, AC PCB	34% YoY growth from ₹ 3,856crores in FY 20-21 to ₹ 5,169 Crore in FY 21-22
Home Appliance	Washing Machines	64% YoY growth from ₹ 431 Crore in FY 20-21 to ₹ 709 Crore in FY 21-22
Lighting Products	LED Bulbs, Battens, Downlighters etc	16% YoY degrowth from ₹ 1,104 Crore in FY 20-21 to ₹ 1,284 Crore in FY 21-22
Mobile Phones & EMS	Feature & Smart Phones, Medical Electronics, Set top boxes, IT products, Telecom	274% YoY growth from ₹ 840 Crore in FY 20-21 to ₹ 3,138 Crore in FY 21-22
Security Systems	CCTV camera and Digital Video Recorders (DVRs)	82% YoY growth from ₹ 218 Crore in FY 20-21 to ₹ 396 Crore in FY 21-22

Financial Overview

(₹ in Lakhs)

	31-Mar-22	31-Mar-21
Total Income (₹ Crore)*	10,701	6,450
EBITDA (₹ Crore)*	383	288
PAT (₹ Crore)*	190	160
Net Debt equity ratio**	0.1	(0.01)
Interest Coverage Ratio#	6.8	8.9
Current Ratio##	1.2	1.1
Debtor turnover days!	41	46
Inventory turnover days!!	31	26
Operating Profit Margin^	3.5%	4.4%
Net Profit Margin^^	1.8%	2.5%
Return on Net worth^!	21.9%	25.0%

**(Long term borrowing + short term borrowing + current maturities less current investment, cash and bank balance)/ Total Equity
#Finance cost/ EBIT
##Current assets/ current liabilities
!Average receivables/ income from operations x 365 days
!!Average receivable / income from operations x 365 days
^Operating profit/Income from operation
^^PAT/Income from operation
^!Net Profit / Average Shareholder fund

ODM % share in Revenue

Years	Consumer electronics	Lighting Products	Home Appliances
FY 2022	4%	91%	100%
FY 2021	5%	90%	100%
FY 2020	6%	87%	100%
FY 2019	9%	71%	100%
FY 2018	6%	40%	100%
FY 2017	12%	45%	100%

Risk Mitigation

Globalization Risk

The electronics industry of India faces tough competition by the electronic goods imported from China. Cheap imports from China will further pose a challenge in front of the electronics industry.

Experience

Experience matters the most when it comes to identifying the right opportunities for business of the company. It is also important to work in a direction that will help to capture the opportunity available.

Industry Risk

Industry risk is when the industry has a whole may reach at a stagnant or declining position. This risk will not only affect a particular company but it will also affect the industry in which company deals in.

Client Concentration Risk

Depending on limited number of clients for a majority share of the revenue poses a risk to the company. This risk is in terms of the fact that company may lose any of its key customers or a problem in the customer's business may affect the company as well.

Regulatory Risk

The business in which Dixon deals in, requires the company to obtain or renew permits and licenses in a timely manner. The failure to do so may poses a risk to the company's revenue.

Technology Risk

The business in which Dixon deals in is affected with rapid change in technology. The company has to adopt dynamic changes in technology under electronics industry. The company has to be up to date with the rapidly changing technologies.

Dixon has installed measures which lead to a cost-effective way of production. Moreover, the company's aim to emerge as a cost-efficient player and attain cost leadership will help it mitigate any global economic risks.

The company is in the electronics business since 1993, thus having an experience of nearly 30 years. Company's senior management has an average experience of about 30 years in the industry. This allows the company to capture the right opportunities at right time.

Dixon is in the industry of electronics. With rise in standard of living of people, and a change in lifestyle electronics industry is expected to grow in the years to come. The industry may face a change in preference but it will never cease to exist.

Dixon has successfully maintained a strong relationship with its key customers. Some of its customers are connected with the company since last 10-12 years. Also, Dixon is constantly expanding its customer base which will help it to deal with this risk.

The company has made it sure to obtain or renew its licenses, permits, consents, and approvals from the government. This is being done in a manner so that Dixon's approvals are not delayed and thus there is no effect on the operations of company.

The company has always moved ahead with changing technology. Its R&D centers is equipped with the latest technology. Moreover, the company has expanded its product portfolio along with a change in technology in the market. For example, the company is planning to launch fully automatic washing machines to be in line with the change in technology.

Internal Control System

The Company has an effective and reliable internal control system commensurate with the size of its operations. At the same time, it adheres to local statutory requirements for orderly and efficient conduct of business, safeguarding of assets, the detection and prevention of frauds and errors, adequacy and completeness of accounting records and timely preparation of reliable financial information. The efficacy of the internal checks and control systems is validated by self-audits and internal as well as statutory auditors.

Human Resource

People remain the most valuable asset of your Company. Your Company follows a policy of building strong teams of talented professionals. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. It has built an open, transparent and meritocratic culture to nurture this asset. For more details refer initial section of the Annual Report.

Outlook

For outlook kindly refer the Director's Report.

Corporate Governance Report

Company's Philosophy on Code of Governance

For Dixon Technologies (India) Limited ("Dixon/Company"), the philosophy of Corporate Governance focuses on creating and sustaining a deep relationship of trust and transparency with all stakeholders. Good corporate governance means adoption of best practices to ensure that the Company operates not only within the regulatory framework, but is also guided by broader business ethics. The norms and processes of Corporate Governance reflect our commitment to make timely disclosures and share accurate information regarding our financial and operational performance. Following are some of the principles which the Company follows towards philosophy of strengthening Corporate Governance structure at Dixon:

a. Timely disclosures of all the material information pertaining to corporate, finance and operations to stakeholders.

b. Adoption of statutory policies and compliance thereof in true letter and spirit

c. Regular and timely meetings of various committees of the Board viz. Audit, Nomination & Remuneration Committee, Stakeholders Relationship, Corporate Social Responsibility, Risk Management Committee.

d. Separate meeting of Independent Directors without the presence of Executive Directors/Non- Independent Directors

e. A day long strategy meeting wherein all Business Heads present their strategy and annual operational plans before the Board to give them perspective and strategy of their businesses.

f. Performance evaluation of Board, Board's Committees, all Directors including Chairman and Vice Chairman & Managing Director.

g. Rolled out Director's handbook with an aim to help the Directors to attain and maintain a high standard of governance.

Your Company has also been awarded with the prestigious Golden Peacock Award (GPA) for Excellence in Corporate Governance – 2021 by the GPA secretariat. The special jury of 9 members included distinguished dignitaries and was chaired by Hon'ble Justice M. N. Venkatachaliah, former Chief Justice of India and former Chairman of National Human Rights Commission of India and National Commission for Constitution of India Reforms. The Secretariat received over 199 applications for the Golden Peacock Awards-2021. This is a great achievement for your Company as it symbolises the commitment towards excellent Corporate Governance across group.

Your Company has complied with the governance requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and hereby presents the Corporate Governance Report for the financial year ended 31st March, 2022.

This Corporate Governance Report outlines the key aspects of the Company's governance framework and governance practices which are consistent with the SEBI Listing Regulations and other rules and regulations. Details of the key policies and practices are available on the Company's website at www.dixoninfo.com.

Board of Directors

Company's Board of Directors ("Board") shapes the long-term vision and policy approach to steadily elevate the quality of governance in the Company. The objective is to emerge as a market leader in Electronic Manufacturing Industry on a global map with focus on creating greater value for all those who have a stake in the Company.

Composition and Category of Board of Directors as on 31st March, 2022

In line with the applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof for time being in force (hereinafter referred to as "the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), your Company's Board has an optimum combination of exceedingly experienced Executive and Non-Executive Directors with more than 2/3 of the Board comprising Independent Directors.

SIZE AND COMPOSITION OF BOARD

Category	Name of Director	Age (as on 31st March, 2022)
Promoter and Executive Director	Mr. Sunil Vachani	53 years 4 months
Executive Director	Mr. Atul B. Lall	60 years 2 months
Independent Directors/ Non-Executive Directors	Dr. Manuji Zarabi	74 years 7 months
	Mr. Manoj Maheshwari	56 years 2 months
	Dr. Rakesh Mohan	74 years 2 months
	Ms. Poornima Shenoy	57 years 2 months
	Mr. Keng Tsung Kuo	63 years 3 months

Your Company does not have any lead independent director considering the fact that each of the Independent Directors on the Board are highly experienced and distinguished in their own area of expertise/field. Each of the Independent Director are advocates of strong governance culture. Also, during the period under review, none of the Director including Independent Director resigned from the Board of your Companyr.

Attendance of Directors at Board Meeting(s) as on 31st March, 2022

During the period under review, 7 (seven) Board meetings were held on 9th April, 2021, 27th May, 2021, 27th July, 2021, 29th October, 2021, 6th January, 2022, 28th January, 2022 and 25th March, 2022 as against the minimum requirement of four meetings in a year. The maximum time gap between any two consecutive meetings did not exceed 120 days. The agenda for each Board meeting is circulated in advance to the Board members. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Where it is not practicable to attach any document relevant to an agenda item, the same is tabled at the meeting.

Further, the minimum information required, as per Regulation 17(7) read together with Part A of Schedule II of the SEBI Listing Regulations is made available to the Board of Directors, for discussions and consideration at Board Meetings.

The following table shows attendance of directors at Board meetings, attendance at last annual general meeting, number of shares held in the Company and number of other directorships, chairmanships / memberships of Board committees in various other companies as on 31st March, 2022:-

Name of Director	No. of Board Meeting attended during the Financial year	Attendance at last Annual General Meeting i.e. 28th Sep, 2021	Number of Shares held in the Company and Percentage	No. of Other Directorships#	Name of the Listed entities where person is Director and category of Directorship	No. of Membership('s) / Chairmanship('s) Of Board Committees in other Companies^	
						Chairperson	Member
Mr. Sunil Vachani	7	Present	157,49,644 26.54%	5	Dixon Technologies (India) Limited- Executive Chairman & Wholetime Director	Nil	Nil
Mr. Atul B. Lall	7	Present	20,95,585; 3.53%	5	Dixon Technologies (India) Limited- Vice Chairman & Managing Director	Nil	Nil
Dr. Manuji Zarabi	7	Present	Nil	4	Dixon Technologies (India) Limited- Independent Director	Nil	Nil
Ms. Poornima Shenoy	7	Present	Nil	4	Dixon Technologies (India) Limited- Independent Director	Nil	1
Mr. Manoj Maheshwari	7	Present	Nil	1	Dixon Technologies (India) Limited- Independent Director	Nil	Nil
Mr. Keng Tsung Kuo	7	Present	Nil	2	Dixon Technologies (India) Limited- Independent Director	Nil	Nil
Dr. Rakesh Mohan	5	Absent	Nil	1	a. Dixon Technologies (India) Limited- Independent Director b. Kirloskar Brothers Limited Independent Director	Nil	1

^In accordance with Regulation 26 of SEBI Listing Regulations, chairmanship/committee membership of Audit Committee and Stakeholders relationship Committee of other public limited companies only has been considered.

#Directorships in non-profit organisation are not considered.

All the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Companies Act, 2013 ("Act") and the Committee positions held by them in other companies. None of the Directors of your Company's Board hold the office of Director in more than 20 companies, including 10 public companies.

As mandated by the Regulation 26 of the SEBI Listing Regulations, none of the Directors of your Company are members of more than ten Board level committees in public companies nor are they Chairman of more than five committees across all listed companies where they are directors.

Inter-se Relationship among Directors

None of the Directors are related with other Directors of the Company.

Independent Directors

Your Company has a policy on Independent Directors, their roles, responsibilities and duties. The same are consistent with the SEBI Listing Regulations and Section 149 of the Act. It sets out the criteria of independence, age limits, recommended tenure, committee memberships, remuneration and other related terms of appointment which can be accessed at https://dixoninfo.com/json/dixon/codes-policy/Terms%20of%20appointment%20of%20Independent%20Directors%20-%2031.05.2021.pdf. The Independent Directors of your company fulfil the criteria of Independence as specified in Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149 of the Act and rules made thereunder and they are independent of the Management of the Board.

None of the Independent Directors serve as Independent Director in more than 7 listed entities and in case of whole-time directors in any listed entity, they do not serve as Independent Directors in more than 3 listed entities

Independent Directors Databank Registration

Pursuant to a notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs, all Independent directors of the Company have completed the registration with the Independent Directors Databank. Requisite confirmations have been received from the Independent Directors in this regard.

Independent Directors Meeting

Pursuant to Section 149(8) read together with Schedule IV of the Act and Regulation 25(3) and 25(4) of SEBI Listing Regulations, a separate meeting of Independent Directors was held on 25th March, 2022 to review the performance of the Non-Independent Directors including the Chairman of the Board and performance of the Board as a whole. All Independent directors of your Company were present at the said meeting.

Directors' Induction and Familiarization Programmes

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarise with your Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of your Company and business strategy.

Details of Familiarization programme imparted to Independent Directors wherein the Board of Directors were apprised about the functions, operations and financial positions/projections of the Company is available at the following weblink: https://dixoninfo.com/json/dixon/codes-policy/Code_for_Independent_Director_and_familiarization_programme_Final-27042022.pdf. Also, the Corporate Affairs Department of your Company have rolled out "Directors' Handbook" with an aim to familiarize the new Director(s) of your Company with the Business and functions of your Company. The said Handbook comprehensively covers Directors' role, responsibilities, duties and liabilities amongst others. This Handbook has been designed with an aim to help the Directors to attain and maintain a high standard of governance.

Chart or Matrix setting out skills / expertise/competence of the Board of Directors

The Board of your Company comprises of such individuals who bring in requisite skills, qualification, expertise and competence which is required on the Board and on Committees.

Mr. Sunil Vachani

Whole Time Director & Executive Chairman

Qualification	Associate of Applied Arts in Business Administrations
Experience	Over 3 decades experience in the EMS industry

Area of Skill/expertise/Competence

- Strategy and Planning
- Policy development
- Identification of Risk
- Government relations
- Marketing and Communication
- Business Experience
- Technology/ Digital skills/ R & D
- Experience in Electronic Industry
- Identification of Challenges and providing solutions

Mr. Atul B. Lall

Vice Chairman & Managing Director

Qualification	Master's Degree in Management Studies from the Birla Institute of Technology and Science, Pilani
Experience	More than three decades of experience in the EMS industry

Area of Skill/expertise/Competence

- Strategy and Planning
- Policy development
- Application of Corporate Governance Principles
- Identification of Risk
- Business Experience
- Technology/ Digital skills/ R & D
- Experience in Electronic Industry
- Identification of Challenges and providing solutions
- Marketing and Communication

Dr. Manuji Zarabi

Non-Executive & Independent Director

Qualification	Doctor of Philosophy from the Indian Institute of Science, Bangalore
Experience	He has more than 3 decades of experience in the field of electronics and retired as Chairman cum Managing Director of Semi-Conductor Complex Ltd, a Government of India Enterprise in August 2005. He was also a member of the working group on development of R&D and IP in electronics formed at DeitY.

Area of Skill/expertise/Competence

- Government Relations
- Technology/ Digital skills/ R & D
- Experience in Electronic Industry

Mr. Manoj Maheshwari

Non-Executive & Independent Director

Qualification	CA,CS, Post Graduate Diploma in Business Administration
Experience	More than 3 decades of experience in finance functions encompassing various aspects of finance and corporate functions including M&A, capital expenditure and fund raising as debt and equity.

Area of Skill/expertise/Competence

- Strategy and Planning
- Application of Corporate Governance Principles
- Identification of Risk
- Qualification and experience in accounting and/or Finance
- Identification of Challenges and providing solutions

Ms. Poornima Shenoy

Non-Executive & Independent Director

Qualification	a) BA from Bangalore University and MBA from TAPMI, Manipal b) British Chevening Scholar for Women in Leadership and Management from the University of Bradford and c) Management Development Program at the University of Michigan at Ann Arbor.
Experience	Serial entrepreneur and an industry veteran and has 35 years of experience .

Area of Skill/expertise/Competence

- Strategy and Planning
- Application of Corporate Governance Principles
- Business Experience
- Marketing and Communication

Mr. Keng Tsung Kuo

Non-Executive & Independent Director

Qualification	a) Master of Electrical Engineering from National Taiwan University b) Executive MBA from National Taiwan University
Experience	More than 3 decades of rich and extensive experience in Business & Selling Strategy, Human Resource & Globalization Strategy, Change Management and Leadership & Management.

Area of Skill/expertise/Competence

- Strategy and Planning
- Policy development
- Identification of Risk
- Business Experience
- Marketing and Communication
- Identification of Challenges and providing solutions
- Technology/ Digital skills/ R & D
- Experience in Electronic Industry

Dr. Rakesh Mohan

Non-Executive & Independent Director

Qualification	a) BSc (Eng) from Imperial College of Science & Technology, University of London b) B.A. from Yale University c) MA and Ph.D. in economics from Princeton University
Experience	More than Five decades of rich and considerable experience in economic research, economic policy, public finance central banking, monetary policy, infrastructure and urban affairs

Area of Skill/expertise/Competence

- Strategy and Planning
- Policy development
- Identification of Risk
- Application of Corporate Governance Principles
- Qualification and experience in accounting and/ or Finance
- Identification of Challenges and providing solutions
- Government relations

The skill areas in the matrix will be reviewed timely by the Board to ensure that the composition of skills on the Board remains aligned with Company's stage of development and strategic direction.

Committees of the Board

The Board Committees play a crucial role in the governance structure of your Company and have been constituted to deal with specific areas / activities which concern your Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review.

Details of the Board Committees and other related information are provided hereunder:

A Audit Committee

The primary objective of the Audit Committee is to act as a catalyst in helping your Company to achieve its objectives by overseeing the Integrity of your Company's Financial Statements; Adequacy & reliability of the Internal Control Systems of your Company; Compliance with legal & regulatory requirements and your Company's Code of Conduct; Performance of your Company's Statutory & Internal Auditors.

Audit Committee monitors and provides an effective supervision of the financial reporting process of your Company with a view to ensure accurate and timely disclosures with the highest level of transparency, integrity and quality.

The powers, role and terms of reference of the Audit Committee are in line with the provisions of Section 177 of the Act and Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations. The Audit Committee discharges such duties and functions as generally indicated under Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations, prescribed under the Act and such other functions as may be specifically assigned to it by the Board from time to time.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 28th September, 2021.

Composition, Meetings and Attendance during the Year

All the members of the Committee are Independent Directors. The composition of the Committee is in line with the requirements of section 177 of the Act and the SEBI Listing Regulations. Mr. Manoj Maheshwari, Chairman of the Committee has accounting and financial management expertise. All the Committee members possess sound knowledge of accounts, finance, audit, governance and legal matters. Senior officials from the Accounts /Finance Department and representatives of Statutory and Internal Auditors are also invited to attend Audit Committee meetings.

During the financial year 2021-22, 5 (Five) meetings of the Audit Committee were held on 27th May, 2021, 27th July, 2021, 29th October, 2021, 28th January, 2022 and 25th March, 2022. The details of the composition, meetings and attendance at the Audit Committee meetings are given hereunder:

Details of Audit Committee Meetings held during the financial year ended as on 31st March, 2022:

Name of Director	Position in the Committee	Designation	Audit Committee Meetings entitled to attend	Meetings Attended
Mr. Manoj Maheshwari	Chairman	Independent Director	5	5
Ms. Poornima Shenoy	Member	Independent Director	5	5
Dr. Manuji Zarabi	Member	Independent Director	5	5

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

Brief Description of Terms of Reference

The roles and responsibilities of the Audit Committee, inter alia, include 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. Recommending to the Board the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the internal auditor, cost auditor and statutory auditors and the fixation of audit fees and remuneration;
3. Approval of payment to statutory, internal and cost auditors for any other services rendered by them, as applicable;
4. Reviewing the utilization of loans and/or advances from/investment by the holding company in subsidiary company exceeding ₹ 100 Crore or 10% of asset size of subsidiary, whichever is lower.

B Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") has been vested with the authority to, inter alia, recommend nominations for Board membership, develop and recommend policies with respect to Board diversity; developing a succession plan for our Board and senior management.

The Role and the terms of reference of the NRC are in compliance with the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations.

The Chairperson of the NRC Committee was present at the last Annual General Meeting held on 28th September, 2021.

Composition, Meetings and Attendance during the Year

Composition of the NRC is in line with the requirements of section 178 of the Act and the SEBI Listing Regulations. During the financial year 2021-22, 3 (three) meetings of the NRC were held on 27th May, 2021, 29th October, 2021, and 25th March, 2022. The details of the composition, meetings and attendance of the NRC are given hereunder:

Details of NRC Meetings held during the financial year ended as on 31st March, 2022

Name of Director	Position in the Committee	Designation	Nomination and Remuneration Committee Meetings entitled to attend	Meetings Attended
Ms. Poornima Shenoy	Chairperson	Independent Director	3	3
Mr. Manoj Maheshwari	Member	Independent Director	3	3
Dr. Manuji Zarabi	Member	Independent Director	3	3
Mr. Sunil Vachani	Member	Executive Chairman	3	3

The Company Secretary of your Company acts as the Secretary to NRC.

Brief Description of Terms of Reference

Terms of reference of the NRC, inter alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. Reviewing the terms and conditions of services including remuneration in respect of managing director and submitting their recommendations to the Board;

3. Formulation of criteria for evaluation of performance of independent directors and the Board;

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board, their appointment and removal and shall carry out evaluation of every director's performance;

5. Recommend to the Board, all remuneration, in whatever form, payable to the senior Management.

6. Whether to extend or continue the term of appointment of ID on the basis of performance evaluation.

Board Evaluation Process

The Board had carried out an annual evaluation of its own performance and of its committees as well as the performance of each individual directors. Board Evaluation Criteria Feedback was sought based on the evaluation criteria approved by the NRC for evaluating the performance of the Board, its committees and individual directors. The Executive Chairman, Vice Chairman & MD and the Independent Directors were evaluated on the following parameters.

1. The Board – Board Administration, Overall Board Effectiveness, Governance and Compliance, Member Effectiveness, Ethics, Chairman, Board Committees, Meeting through Video Conferencing, Miscellaneous.

2. Board committees – Committee Effectiveness Component including the frequency of the meetings, the chairperson of the Committee, the time allotted for agenda items, proper agenda papers and other required documents, healthy debates and discussions, action taken points from the previous committee meetings, information flow, recommendations to the Board, etc.

3. Executive Directors – Attendance at the meetings, engagement with fellow Board members, employees, strategy making, risk management, management of the company and its employees during the ongoing pandemic situation etc.

4. The Chairman – Leadership of the Board, promoting effective participation of all Board members in the decision-making process, encouraging deliberations on important matters etc.

5. Independent Directors – Independence from the Company, exercising independent judgement in decision-making, contributing strongly to the objectivity of the Board's deliberations based on their external expertise, attendance at meetings etc.

In order to ensure confidentiality, the Board's evaluation was undertaken by way of a questionnaire through an online tool by an independent agency. All the directors participated in the evaluation process. The responses received from the Board members were compiled by an independent agency and a consolidated report was submitted by the agency to the Board through the Company Secretary.

The evaluation report was also discussed at the meeting of the Board of Directors. The Board deliberated over the suggestions and inputs to augment its own effectiveness and optimise the individual strengths of the directors. The directors were satisfied with the Company's standard of governance, its transparency, meeting practices and overall Board effectiveness.

The suggestions given by the Independent Directors were duly incorporated.

Succession Planning

The NRC had reviewed the succession planning of top leadership positions in the Company. While undertaking said review the leadership competencies required for orderly succession planning was considered by the NRC.

C Stakeholders' Relationship Committee:

The Board has constituted Stakeholder's Relationship Committee pursuant to Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations to look into the redressal of grievances of shareholders and other security holders, if any. The Committee overseas the resolution of grievances of the security holders of your Company including complaints related to transfer of shares, non-receipt of annual report or non- receipt of declared dividends.

Composition, Meetings and Attendance during the Year

The Composition of the Stakeholder Relationship Committee is in line with the requirements of section 178 of the Act and the SEBI Listing Regulations. During the financial year under review, 4 (four) meetings of the Stakeholder's Relationship Committee were held on 27th May, 2021, 27th July, 2021, 29th October, 2021 and 28th January, 2022. The details of the composition, meetings and attendance of the Stakeholder's Relationship Committee are given hereunder:

Details of Stakeholders Relationship Committee Meetings held during the financial year ended 31st March, 2022:

Name of Director	Position in the Committee	Designation	Stakeholder's Relationship Committee Meetings entitled to attend	Meetings Attended
Dr. Manuji Zarabi	Chairman	Independent Director and Non-Executive Director	4	4
Mr. Sunil Vachani	Member	Executive Chairman	4	4
Mr. Atul B.Lall	Member	Vice Chairman & Managing Director	4	4

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

Brief Description of Terms of Reference

Terms of Reference of Stakeholder Relationship Committee, inter alia, include the following:

1. Collecting and analyzing reports received periodically from the Registrar and the Share Transfer Agent ("RTA") on the following:

    a. Complaints regarding non-receipt of the shares, debentures, deposit receipt, declared dividend or interest;

    b. Complaints of investors routed by the SEBI or Stock Exchanges and others;

    c. Transfer, sub-division, consolidation, split, exchange, endorsement, transmission of share certificates and transposition of share certificates;

    d. Issue of share certificates, debenture certificates, duplicate share or debenture certificates in lieu of lost/ torn/ mutilated/ defaced certificates;

    e. Requests relating to de-materialization and re-materialization of shares;

    f. Requests relating to modes of paying the dividend i.e. through electronic clearing service, RTGS and issue of dividend warrant for dividend payment/ interest etc.; and

    g. Complaints related to allotment of shares, transfer or transmission of shares, debentures or any other securities, non-receipt of annual report and non-receipt of declared dividends or any other document or information to be sent by our Company to its shareholders.

2. To redress other grievances of shareholders, debenture holders and other security holders;

3. Scrutinizing other matters related to or arising out of shareholders/ investors services including preparation and approval of periodical reports.

4. Resolving the grievances of the security holders of the Listed entity 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.

5. Review of the various measures and initiatives taken by the listed entity for reducing the quantum on unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

6. Review of measures taken for effective exercise of voting rights by shareholders.

7. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

Status of Complaints during FY 2021-22

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up is as under:

Particulars	Number of Complaints
Investor queries/complaints pending at the beginning of the Year -1st April, 2021	NIL
Investor queries/complaints received during the Year	44
Investor queries/complaints disposed of during the Year	44
Investor queries/complaints remaining unresolved at the end of Year - 31st March, 2022	NIL

The total no. of Shareholders as on 31st March, 2022 stood at 3,79,160 as compared to 2,12,714 as on 31st March, 2021.

Also, from time to time, the Company has encouraged members, whose e-mail ID's are not registered with the Company, to get the same registered in order to effectively communicate with them.

Details of the Compliance officer of your Company:

Name: Mr. Ashish Kumar

Designation: Group CS, Head-Legal & HR

E-mail id: investorrelations@dixoninfo.com

D Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted in accordance with the requirements of the Act. The Committee recommends the Corporate Social Responsibility projects to be undertaken by the Company and also monitors its implementation status.

Composition, Meetings and Attendance during the Year

The Corporate Social Responsibility Committee has been constituted as per the provisions of the Act. During the Financial Year under review, 4 (Four) meetings of the Committee were held on 27th May, 2021, 27th July, 2021, 29th October, 2021 and 28th January, 2022. The details of the composition, meetings and attendance of the Corporate Social Responsibility Committee are given hereunder:

Details of Corporate Social Responsibility Committee meetings held during the financial year ended 31st March, 2022:

Name of Director	Position in the Committee	Designation	Corporate Social Responsibility Committee Meetings entitled to attend	Meetings Attended
Mr. Sunil Vachani	Chairman	Executive Chairman	4	4
Dr. Manuji Zarabi	Member	Independent Director	4	4
Mr. Atul B. Lall	Member	Vice Chairman & Managing Director	4	4

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

Brief description of terms of reference

Terms of Reference of Corporate Social Responsibility Committee, inter alia, include the following:

(a) Formulation and recommendation to the Board, a corporate social responsibility policy and subsequent amendments as required from time to time;

(b) Ensuring that the corporate social responsibility policy shall include/ indicate the activities to be undertaken by the companies as specified in Schedule VII of the Companies Act, 2013 and the rules made there under, from time to time excluding the activities undertaken in pursuance of its normal course of business;

(c) Monitoring the corporate social responsibility policy by instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company from time to time;

(d) Recommendation of the annual budget for the corporate social responsibility activities of our Company in compliance with the relevant statutory provisions;

E Risk Management Committee

The Risk Management Committee has been constituted in accordance with the requirements of the Act. The Committee hereby helps to identify elements of Risk in different areas of operations and to develop plans to mitigate the risks.

Composition, Meetings and Attendance during the Year

Composition of the Committee is in line with the requirements of Regulation 21 of SEBI Listing Regulations. During the financial year under review, 2 (Two) meetings of the Risk Management Committee were held on 26th July, 2021 and 25th January, 2022.

Mr. Atul B. Lall, Vice Chairman & Managing Director of your Company is Chairman of the said Committee. Mr. Manoj Maheshwari and Mr. Keng Tsung Kuo, Independent Directors are members of the said Risk Management Committee. All the members attended both the meetings.

The Risk Management Policy of the Company was adequately revised keeping into consideration the amendments in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

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

The terms of reference of the Risk Management Committee are as under:-

i. To ensure systemic risk evaluation, categorization, and prioritization thereof.

ii. To assign relative importance to identified risks and determine where appropriate management attention is required.

iii. To apply an organized, thorough approach, to effectively anticipate and mitigate the probable or realistic risks.

iv. To practice the highest level of control measures by installing mechanisms and tools, with involvement of all process-owners across the organization.

v. To develop alternative/ recommended courses of action for critical risks and control the probability of occurrence of the risk, keeping ready contingency plans for selected risks where the consequences of the risks are determined to be high.

vi. To review the activities, status and results of the risk management process with appropriate levels of management and resolve issues which are gauging potential risk exposure and addressing the same with appropriate corrective action.

vii. To obtain , wherever required or desirable, the advice, opinion and assistance from outside legal, accounting, or other advisors, as necessary, to aid informed decision making.

viii. Carry out such responsibilities as assigned by the Board.

ix. Monitor and Review Risk Management Plan as approved by the Board.

x. Ensure that appropriate system of risk management is in place.

xi. Framing of Risk Management Plan and Policy

xii. Overseeing implementation of Risk Management Plan and Policy

xiii. Delegating authority to the sub committees as and when required

xiv. Coordinating activities with the Audit Committee in instances where there is any overlap with audit activities

xv. The Risk Management Committee shall evaluate significant risk exposures related to cyber security and assess management's actions to mitigate the exposures in a timely manner.

xvi. The Risk Management Committee shall recommend reports to the Board at such intervals as may be deemed appropriate by the Committee.

xvii. The role and responsibilities of the Risk Management Committee shall include such other items as may be prescribed by applicable law or the Board in compliance with applicable law, from time to time."

F. Executive Committee

The Board has constituted the Executive Committee which undertakes matters related to day to day affairs of your Company.

Details of composition of Executive Committee as on 31st March, 2022:

Name of Director	Position in the Committee	Designation
Mr. Sunil Vachani	Member	Executive Chairman
Mr. Atul B. Lall	Member	Vice Chairman & Managing Director

The Company Secretary of the Company acts as the Secretary to the Committee

H Share Allotment Committee

The Board had constituted the Share Allotment Committee on 31st October, 2018. The said Committee is authorized for allotment of shares, in one or more tranches, to the employees of the Company pursuant to exercise of the options vested with them in accordance with the DIXON ESOP Schemes. During the year under review, 3 (Three) meetings of the Share Allotment Committee were held on 11th August, 2021, 3rd November, 2021 and 30th November, 2021.

Details of Share Allotment Committee Meetings held during the financial year ended as on 31st March, 2022:

Name of Director	Position in the Committee	Designation	Share Allotment Committee Meetings entitled to attend	Meetings Attended
Mr. Sunil Vachani	Member	Executive Chairman	3	3
Dr. Manuji Zarabi	Member	Independent Director	3	3
Mr. Atul B. Lall	Member	Vice Chairman & Managing Director	3	3
Mr. Manoj Maheshwari	Member	Independent Director	3	3

Research and Development Committee

The Board at its meeting held on 30th October, 2020, approved the constitution of Research and Development Committee to provide for more focus on innovative, design oriented and technology-backed solutions to leading domestic and international brands resting on the Company's manufacturing capabilities.

Composition, Meetings and Attendance during the Year

The Research and Development Committee comprises of Dr. Manuji Zarabi, Independent Director who is the Chairman of the said Committee and Mr. Atul B. Lall, Vice Chairman & Managing Director as a member.

No meeting of the Research and Development Committee was held during the year.

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

Remuneration of Directors

Remuneration Policy

Dixon's Remuneration Policy aims at attracting and retaining high caliber talent. The Remuneration Policy, therefore, is market-led and takes into account the competitive circumstance of each business so as to attract and retain quality talent and leverage performance significantly. The Company adopts a comprehensive approach to remuneration in order to support a superior quality of personal and work life, combining both cash and non-cash components / benefits in a manner which judiciously balances short term and long term priorities.

The policy can be accessed at the following Link: https://dixoninfo.com/json/dixon/codes-policy/nomination-and-remuneration-policy.pdf. The elements of remuneration package of Executive Directors includes fixed and variable salary, Commission, contribution to provident fund, perquisites and allowances, reimbursement of expenses etc. Independent Directors are paid remuneration in the form of sitting fee and one time commission.

Remuneration to Non-Executive and Independent Directors

Remuneration to Non-Executive and Independent Directors for the financial year 2021-22 was as under:

(₹ in Lakhs)

NAME OF THE NON-EXECUTIVE DIRECTOR	SITTING FEE	COMMISSION*	TOTAL
Dr. Manuji Zarabi	7.15	12.00	19.15
Ms. Poornima Shenoy	6.05	12.00	18.05
Mr. Manoj Maheshwari	6.55	12.00	18.55
Mr. Keng Tsung Kuo	4.70	12.00	16.70
Dr. Rakesh Mohan	3.00	3.00	6.00
Total	**27.45**	**51.00**	**78.45**

* Note -Commission accrued during the FY 20-21 and paid during the FY 21-22

The Company also reimburses the out-of-pocket expenses incurred by the Non-Executive and Independent Directors for attending the meetings. There were no pecuniary relationships or transactions of Non-executive and Independent directors vis-à-vis the Company during the Financial year 2021-22 other than the remuneration as detailed above.

During the year 2021-22, the Non- Executive Directors of the Company had no pecuniary relationship or transactions with your Company.

Remuneration to Executive Directors

The Shareholders at the 28th Annual General Meeting of the Company held on 28th September, 2021 re-appointed Mr. Sunil Vachani as Whole-time Director and Mr. Atul B. Lall as Managing Director of the Company for a term of 5 years i.e. until 4th May, 2027.

The details of remuneration paid to each of the Directors during the year ended 31st March, 2022 are given below:

(₹ in Lakhs)

Name of Director	Fixed Salary				Bonus / Performance Linked Incentive	Sitting Fee	Commission	Perquisite value of Stock Options	Total
	Basic Salary and allowances	Perquisites	Others	Total Fixed Salary					
Mr. Sunil Vachani	242.60	-	-	242.60	-	-	257.40	-	500.00
Mr. Atul B. Lall	242.40	-	-	242.40	-	-	400.47	1382.12	2024.99

Notes:

(1) The amount of Commission is calculated on the profits of Financial Year ended 31st March, 2022 as per the Financial Statements thereto and the same shall be paid during the Financial Year ending 31st March, 2023.

(2) The Commission calculated on the profits of Financial Year ended 31st March, 2021 as per the Financial Statements thereto was paid by the Company during the Financial Year ended 31st March, 2022 which was ₹ 250.48 Lakhs and ₹ 413.03 Lakhs for Mr. Sunil Vachani and Mr. Atul B Lall, respectively.

(3) For details pertaining to ESOP, please refer Annexure – II forming part of Director's Report.

Service Contracts, Notice Period, Severance Fee

Your Company does not enter into service contracts with the Executive Directors as they are appointed/re-appointed with the approval of the shareholders for the period permissible under the applicable provisions of the Act, and/or SEBI Listing Regulations. Independent directors have been issued an appointment letter which prescribes that any Independent Director may resign from his office subject to reasonable written notice to the Board. The Company does not pay any severance fees or any such payment to the Directors.

General Body Meetings

Annual General Meetings

The date, time, location of Annual General Meetings held during last three years and the special resolutions passed there at are as follows:

Details of Annual General Meetings

Financial Year	Date and Time	Venue	Special Resolution Passed
2018-19	31st July, 2019 at 11.00 A.M.	International Trade Expo Centre Ltd., Hall-C, Expo Drive, A-II, Sector-62, Noida-201301	a. Re-Appointment of Mr. Manoj Maheshwari (DIN: 02581704) as Non-Executive and Independent Director for Second Term of 5 Consecutive Years W.e.f. 3rd May, 2020. b. Re-Appointment of Dr. Manuji Zarabi (DIN: 00648928) as Non-Executive and Independent Director for Second Term of 5 Consecutive Years W.e.f. 23rd February, 2020. c. Re-Appointment of Ms. Poornima Shenoy (DIN: 02270175) as Non-Executive and Independent Director for Second Term of 5 Consecutive Years W.e.f. 23rd February, 2020
2019-20	29th September, 2020 at 03.00 P.M.	Held through Video Conferencing pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India	a. Variation in the terms of the Object of the public issue as stated in the prospectus of the company dated 11th September, 2017 b. To approve raising of funds in one or more tranches, by issuance of securities by way of private offerings, qualified institutions placements and or any combination thereof or any other method as may be permitted under applicable law for an amount not exceeding ₹200 Crore c. Approval of Dixon Technologies India Limited – Employee Stock Option Plan- 2020 ("Dixon ESOP 2020") d. Grant of Stock Options to the Employees of Indian Subsidiary Companies under DIXON Technologies India Limited – Employee Stock Option Plan, 2020 ("DIXON ESOP 2020")
2020-21	28th September, 2021 at 11.00 A.M.	Held through Video Conferencing pursuant to General Circular Nos.14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020, 39/2020 dated 31st December 2020 and 02/2021 dated January 13, 2021, issued by the MCA ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 issued by the Securities and Exchange Board of India	a. Appointment of Dr. Rakesh Mohan as a Non-Executive and Independent Director of the Company b. Re-appointment of Mr. Atul B. Lall as Managing Director of the Company c. Increase in the limit of managerial remuneration payable to Mr. Atul B. Lall d. To approve raising of funds in one or more tranches, by issuance of securities by way of private offerings, qualified institutions placement(s) and/or any combination thereof or any other method as may be permitted under applicable law for an amount not exceeding ₹ 500 Crore

POSTAL BALLOT

During the FY 2021-22, one special resolution was passed through the exercise of postal ballot for seeking approval of members via Kfin Technologies Limited, as per below details:-

1. The Company dispatched the postal ballot notice dated Monday, 12th April, 2021 containing draft resolution together with the statement to the members whose names appeared in the register of members/ list of beneficiaries as on cut-off date i.e. 9th April, 2021 ("cut-off date").The Company also published a notice in the newspaper declaring the details of completion of dispatch on 13th April, 2021 and other requirements as mandated under the Act and applicable rules.
2. The Board of Directors of the Company had appointed M/s Shirin Bhatt & Associates, Practicing Company Secretaries, FRN: S2011DE162600, as scrutinizer for conducting the postal ballot process in a fair and transparent manner.
3. Members exercised their vote by e-voting during the period from 09:00 a.m. (I.S.T.) on Tuesday, 13th April, 2021 to Wednesday, 12th May, 2021 at 5.00 P.M. (I.S.T.)
4. The Scrutinizer submitted his report on 13th May, 2021, after the completion of scrutiny and further the resolution was deemed to have been passed on 13th May, 2021.

The Consolidated summary of the results of the postal ballot are as follows:-

S. No.	Description of the Special resolution	Result
1.	Alteration under clause III - object clause of the Memorandum of Association of the Company	The Resolution was passed as Special resolution by the Members of the Company

Note : No other Postal Ballot is proposed by the Company

Procedure for E-voting

In compliance with the provisions of Sections 108 of the Act, read with applicable rules, your Company provides electronic voting (e-voting) facility to all its members. Your Company engages the services of KFin Technologies Limited for the purpose of providing e-voting facility to all its members. Members can refer E-voting instructions provided in the Notice of Annual General Meeting. Members whose names appear on the register of members as on cut-off date i.e. 16th August, 2022 shall be eligible to participate in the e-voting.

Participation and voting at 29th Annual General Meeting

Pursuant to the General Circular numbers, 20/2020, 02/2021,02/2022 issued by the Ministry of Corporate Affairs and Circular number SEBI/HO/CFD/CMD2/CIR/P/2022/62 issued by SEBI, the 29th Annual General Meeting of the Company will be held through video-conferencing and the detailed instructions for participation and voting at the meeting is available in the Notice of the 29th Annual General Meeting.

Extra-Ordinary General Body Meetings (including adjourned Meetings) during the FY 2021-22

Except for the Postal Ballot as stated above, no Extra-ordinary general meeting was held during the FY 2021-22.

Means of Communication

Results

The Quarterly and Half-yearly/Annual financial results are forthwith communicated to the BSE Limited (the "BSE") and National Stock Exchange of India Limited (the "NSE"), (both BSE and NSE are collectively referred as the "Stock Exchanges") where the shares of your Company are listed, as soon as they are approved and taken on record by the Board of Directors. Additionally your Company's quarterly/half yearly/ annual financial results are simultaneously published in 'Business Standard- English and Hindi' in accordance with SEBI Listing Regulations. Also they are also put up on your Company's website at www.dixoninfo.com.

The details of announcements of Quarterly results by your Company during the FY 2021-22 are as follows:

Quarter ended	Date of Board Meeting where Quarterly results were approved	Date of Publishing in Newspaper (English And Hindi)
30th June, 2021	27th July, 2021	28th July, 2021
30th September, 2021	29th October, 2021	30th October, 2021
31st December, 2021	28th January, 2022	29th January, 2022
31st March, 2022	30th May, 2022	31st May, 2022

Website:

Your Company's website contains a separate dedicated section 'Investors' where shareholders' information and official news releases pertaining to financial results etc., are available. Your Company's Annual Report is also available in downloadable form on the website of your Company www.dixoninfo.com.

Presentations made to Institutional Investors or to the Analysts

Your Company hosts a quarterly conference call post declaration of quarterly/half yearly/annual results of your Company, along with the discussion on the performance of the different business divisions of your Company. This is followed by the question and answer session by the analysts/ investors logged into the conference call. Presentations made, if any, to the Institutional Investors/Analysts are hosted on the website of your Company, along with the Transcripts of the Investor/Analysts Calls/Meets hosted by your Company on the website of the Company at Dixon (www.dixoninfo.com)

Details of any scheduled Analysts Meet/Conference Call are usually intimated to the Stock Exchanges in advance.

General Shareholder Information

Annual General Meeting

Day and Date : Tuesday and 23rd August, 2022
Time : 03.00 p.m. (I.S.T.)
Mode : Video Conferencing/Other Audio Visual Means ("VC/OAVM")
E-Voting dates: From 09:00 A.M. on 20th August, 2022 (Saturday) to 05.00 P.M. on 22nd August, 2022 (Monday)

Financial Year

1st April, 2021 – 31st March, 2022

Tentative Financial Calendar – for the Financial Year ending 31st March, 2023

Quarterly Results for the Quarters ending 30th June, 2022, 30th September, 2022, 31st December, 2022, 31st March, 2023 will be approved in the Board Meetings subject to finalization of the dates by the Board of Directors. Annual General Meeting for the Financial Year 2022-23 will be tentatively held between April-September, 2023. The Financial Results/statements for the FY 2022-23 will be published in Newspapers alongwith intimation to Stock Exchanges, BSE and NSE. Additionally, the same will be posted on the website of your Company at www.dixoninfo.com.

Book Closure

The dates of book closure are from 17th August, 2022 to 23rd August, 2022, inclusive of both days.

Dividend Policy and Dividend details

The Company has adopted Dividend Distribution Policy of your Company in terms of the requirement, of SEBI Listing Regulations. The Policy is available on the website of the Company under the weblink: https://dixoninfo.com/json/dixon/codes-policy/dividend-distribution-policy.pdf

Also, the Company remits the payment of Dividend through online transfer and in cases where Bank details are not updated, the Dividend for those shareholders are paid through Demand draft which are immediately dispatched to the respective shareholders. As on 31st March, 2022 an amount of ₹ 73,948.65 remains unclaimed by shareholders for the dividend declared during the FY 2017-18 to FY 2020-21.

The dividend of ₹ 2/- per equity share, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid/dispatched within 30 days from the date of ensuing AGM of the Company to all the shareholders of the Company holding shares as on the cut-off date i.e. Tuesday, 16th August, 2022. The details of unpaid dividend along with due dates for transfer to IEPF are available at https://dixoninfo.com/unpaid-unclaimed-dividend-data.php

Transfer to Investor Education & Protection Fund

During the year, your Company was not required to transfer any amount to the Investor Education and Protection Fund.

Listing Details

At present, the equity shares of your company are listed on NSE Limited and BSE Limited. The annual listing fees for the Financial Year 2021-22 to BSE and NSE has been paid.

Name of Stock Exchanges	Stock/ Scrip Code
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	540699
National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Mumbai 400 051	DIXON

Market price data, during each month

(In points)

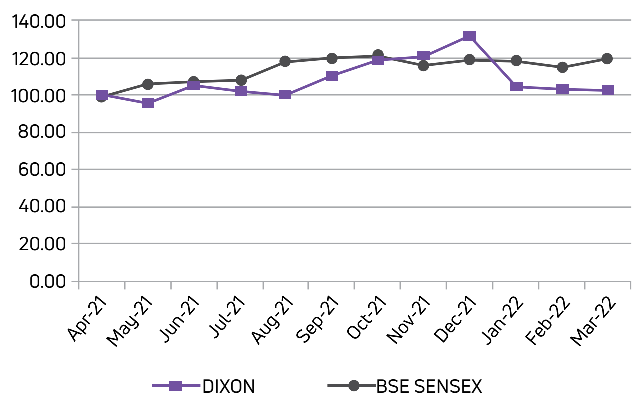
Month	BSE Sensex		NSE Nifty 500	
	High	Low	High	Low
April'21	50,375.77	47,204.50	12,659.40	11,923.20
May'21	52,013.22	48,028.07	13,244.40	12,210.55
June'21	53,126.73	51,450.58	13,634.35	13,155.55
July'21	53,290.81	51,802.73	13,761.10	13,409.10
August' 21	57,625.26	52,804.08	14,571.80	13,716.70
September'21	60,412.32	57,263.90	15,305.20	14,527.05
October'21	62,245.43	58,551.14	16,004.45	14,932.75
November'21	61,036.56	56,382.93	15,664.45	14,402.10
December'21	59,203.37	55,132.68	15,280.00	14,128.15
January'22	61,475.15	56,409.63	15,834.20	14,410.90
February'22	59,618.51	54,383.20	15,304.60	13,747.45
March'22	58,890.92	52,260.82	14,963.40	13,423.55

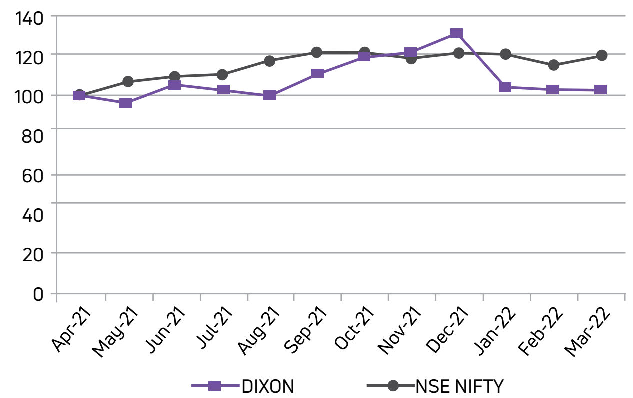
Stock Market Price Data

(in ₹)

Month	BSE		NSE	
	High	Low	High	Low
April'21	4,264.60	3,420.00	4,265.65	3,241.40
May'21	4,322.20	3,764.65	4,320.00	3,816.00
June'21	4,680.00	4,025.45	4,682.60	4,020.50
July'21	4,731.50	4,203.00	4,735.00	4,205.00
August' 21	4,414.00	3,760.00	4,418.00	3,760.00
September'21	4,640.00	3,996.90	4,644.00	3,992.65
October'21	6,240.00	4,545.00	6,243.60	4,545.60
November'21	5,720.00	4,834.10	5,724.45	4,831.80
December'21	5,858.85	5,,039.80	5,858.55	5,040.50
January'22	5,573.00	4,120.00	5,573.10	4,117.50
February'22	4,699.80	3,939.50	4,659.95	3,936.95
March'22	4,544.20	3,934.55	4,545.00	3,937.00

Performance in comparison to broad- based indices such as BSE Sensex, Nifty 500 Index





Declaration regarding suspension of securities

The securities of your Company have not been suspended during the year.

Company's Registrar & Transfer Agent during the year:

Your Company's Registrars & Transfer Agents ("RTA") for its share registry (both, physical as well as electronic) is KFin Technologies Limited having its office at Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana 500032, India.

Distribution of Shareholding by size as on 31st March, 2022

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1-5000	391,351	99.874440	9,032,899	18,065,798	15.221780
5001- 10000	157	0.040067	569,224	1,138,448	0.959227
10001- 20000	88	0.022458	642,533	1,285,066	1.082764
20001- 30000	46	0.011739	554,044	1,108,088	0.933647
30001- 40000	23	0.005870	402,859	805,718	0.678877
40001- 50000	16	0.004083	357,984	715,968	0.603256
50001- 100000	58	0.014802	2,193,340	4,386,680	3.696105
100001& Above	104	0.026541	45,589,052	91,178,104	76.824344
Total	**3,91,843**	**100.00**	**59,341,935**	**118,683,870**	**100.00**

Dematerialisation of Shares and liquidity:

As on 31st March, 2022, 99.999798% of shareholding of your Company was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The International Securities Identification Number ("ISIN") allotted to your Company's Shares is INE935N01020. Company's shares are frequently traded and provide good liquidity.

Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and likely impact on equity as of 31st March, 2022

Your Company does not have any outstanding GDR / ADR / Warrants or any convertible instruments as on 31st March, 2022.

Details of Public Funding Obtained:

During the FY 2021-22, your Company has not raised any moneys by way of further public offer.

Commodity Price risk or foreign exchange risk and hedging activities

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

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

Details of foriegn currency exposure are disclosed in Notes forming part of financial statements of this Annual Report

Details of utilization of funds raised through preferential allotment or qualified Institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations:

The Company has not raised any funds through preferential allotment or institutional placement, therefore such Regulation 32(7A) is not applicable on your Company.

Details of recommendation of Committees of the Board which were not accepted by the Board

Nil- All recommendations of the Committees of the Board were duly accepted by the Board.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

(₹ in Lakhs)

Name of entity	Fees paid during FY 2021-22
Dixon Technologies (India) Limited	31.83
Dixon Global Private Limited	3.67
Padget Electronics Private Limited	16.19
AIL Dixon Technologies Private Limited	7.54
Dixon Electro Appliances Private Limited	1.05
Dixon Electro Manufacturing Private Limited	0.12
Rexxam Dixon Electronics Private Limited	0.12
Dixon Technologies Solutions Private Limited	0.12

Disclosure in relation to Sexual Harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013:

a. Number of complaints filed during FY 2021-22: 0

b. Number of complaints disposed of during FY 2021-22: 0

c. Number of complaints pending as on end of the FY 2021-22:0

Share Transfer System

As mandated by SEBI, securities of the Company can be transferred / traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. In this regard, a communication encouraging dematerialisation of shares and explaining procedure thereof, was also sent during the year to the concerned shareholders of the Company. During the year, the Company obtained, on half-yearly basis, a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, sub-division, consolidation, renewal, exchange and deletion of names, were issued as required under Regulation 40(9) of the Listing Regulations read with SEBI Circular no. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/59, dated April 13, 2020. These certificates were duly filed with the Stock Exchanges.

Plant Locations

Following are the list of Manufacturing Facilities located PAN India, on consolidated basis:

Plant location (Addresses)	Products manufactured
B-14 and 15, Phase II, Noida, Gautam Buddha Nagar, UP- 201305	LED bulbs, PCB assembly of Air conditioners
B-18, Phase II, Noida, Gautam Buddha Nagar, UP- 201305	Mobile phones
C-33, Phase II, Noida, Gautam Buddha Nagar, UP- 201305	LED Bulbs
B-45, Phase II Extension, Noida, UP- 201305	LED bulbs and parts
Plot No. 6, Sector-90, Noida	Mobile Phones
A-163A, Sector – 80 Noida	Lighting Products
A – 23, Sector-60, Noida	Mobile Phones

Plant location (Addresses)	Products manufactured
First Floor, Plot No.154C, Block-A, Sector-63, Noida	Mobile Phone, Laptop
Khasra No 1050, Central Hope Town, Selaqui Industrial Area, Dehradun, Uttarakhand	LED bulbs, Battens, T-LEDs, Down Lighter, Ballast, etc.
Plot No- C-3/1, Selaqui Industrial Area, Dehradun, Uttarakhand	Washing Machines
Plot No. 262M, Selaqui Industrial Area, Dehradun, Uttarakhand	Backward integration of plastic parts and sheet metal components
Khasra No. 261MIN, Central Hope Town, Selaqui, Dehradun, Uttarakhand-248197	Backward integration of plastic parts and sheet metal components
Plot no 992/2, Selaqui Industrial Area, Dehradun, Uttarakhand	LED bulb repairing
Plot No. C-2/1, UPSIDC (SIDCUL), Industrial Area, Tehsil Vikas Nagar, Dehradun, Uttarakhand	Washing Machine
Shed No. 1 and 3, EMC II, Govindavaram, Chittoor- 517526	CCTVs and DVRs
Shed No. 2, 4, 5, 6, 7, 8, 9, 10 EMC II, Govindavaram, Chittoor- 517526	LED TVs & Reverse Logistics
Plot No. 30&31, EMC II, Govindavaram, Chittoor- 517526	Washing Machine
Plot No. 1-4, Rural Industrial Complex, VPO-Hambran, Ludhiana	Telecom

Consolidation of folios and avoidance of multiple mailing

In order to enable your Company to reduce costs and duplication of efforts for investor servicing, members who may have more than one folio in their individual name or jointly with other persons mentioned in the same order, are requested to consolidate all similar holdings under one folio. This would help in monitoring the folios more effectively. Members may write to the Registrar and Transfer Agent indicating the folio numbers to be consolidated. The address of RTA is given herein below:

Address for correspondence:

Shareholding related queries:	General Correspondence
KFIN TECHNOLOGIES LIMITED Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana 500 032, India Toll free: 18003094001 E-Mail:einward.ris@kfintech.com	**DIXON TECHNOLOGIES (INDIA) LIMITED** B-14 & 15, Phase-II, Noida, UttarPradesh-201305 Tel: 0120-4737200 Fax:0120-4737273 E-Mail: investorrelations@dixoninfo.com Website: www.dixoninfo.com

List of Credit Ratings

A. You may refer Director's Report for Credit ratings issued by ICRA during the FY 2021-22;

B. Credit ratings for debt instruments or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad are forming part of the Director's report.

Other Disclosures

Material Related Party Transactions:

Your Company's major related party transactions are generally with its Subsidiaries and Joint Venture Companies. The related party transactions are entered into based on consideration of various business exigencies, such as synergy in operations. All the arrangements / transactions entered by your Company during the financial year with related parties were in the ordinary course of business and at an arm's length basis. During the year under review, your Company had entered into contract/ arrangement / transaction with related parties which could be considered material in accordance with the materiality policy of the Company of related party transactions. For details on the Related Party Transactions please refer the notes to Financial Statements, forming part of the Annual Report.

None of the transactions with any of related parties were in conflict with your Company's interest. Your Company's materiality Policy on Related Party Transactions is available on your Company's website and can be accessed at https://dixoninfo.com/json/dixon/codes-policy/RPT%20Policy-F-01042022.pdf .

The required statements / disclosures, with respect to the related party transactions, are placed before the Audit Committee and the Board of Directors, on quarterly basis in terms of Regulation 23(3) of the SEBI Listing Regulations and other applicable laws for approval / information. Prior Omnibus approval is obtained for Related Party Transactions which are of repetitive nature.

Further, as per Regulation 23(9) of the SEBI Listing Regulations, your Company has also filed the related party transactions on a consolidated basis as per the timelines specified under the said regulations.

Disclosure of the Loans and advances in the nature of loans to firms/companies in which directors are interested are as under:

S. No.	Nature of Transaction	Nature of Transaction	Name of the Firms/Companies in which Directors are interested	Amount (₹ in Lakhs)
1	Dixon Technologies India) Limited	Loan	Padget Electronics Private Limited	29,692.16
2	Dixon Technologies India) Limited	Loan	Dixon Electro Appliances Private Limited	49.78
3	Dixon Technologies India) Limited	Loan	Dixon Electro Manufacturing Private Limited	43.00
4	Dixon Technologies India) Limited	Loan	Dixon Technologies Solutions Private Limited	56.00
5	Dixon Technologies India) Limited	Loan	Rexxam Dixon Electronics Private Limited	44.29
6	Padget Electronics Private Limited	Loan	Dixon Electro Appliances Private Limited	500.00

Details of non-compliance by your Company, penalties, and strictures imposed on the company by stock exchange or SEBI, or any statutory authority, on any matter related to capital markets

There has not been any non-compliance, penalties or strictures imposed on your Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the last three years.

Vigil Mechanism / Whistle Blower Policy

Your Company has adopted "Whistle Blower Policy" which provides a vigil mechanism for dealing with instances of fraud, mismanagement, unethical behaviour, actual or suspected violation of the Company's code of conduct.

This Policy is your Company's statement of values and represents the standard of conduct which all employees are expected to observe in their business endeavours. The Policy reflects your Company's commitment to principles of integrity, transparency and fairness.

Your Company hereby affirms that no Director/employee have been denied access to the Chairman of the Audit Committee. There was no complaint received through the said mechanism during the FY 2021-22.

This Policy is overseen by the Audit Committee. Through the said Policy, Directors and employees can report concerns of unethical behaviour, actual or suspected fraud or violation of your Company's 'Code of Conduct'. The said Policy provides adequate safeguards to the Whistle Blower against victimization. The Whistle Blower Policy has also been uploaded on the website of the Company at https://dixoninfo.com/json/dixon/codes-policy/whistle-blower-policy.pdf

Also, during the year, the Company organised workshop/training programme for its employees and staff to create awareness on sexual harassment law.

Compliance with mandatory and adoption of non-mandatory requirements of the SEBI Listing Regulations

Your Company has complied with mandatory requirement of the SEBI Listing Regulations. In compliance with the said Regulations, your Company has obtained a certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance. The said certificate is annexed to this Report.

Your Company has also adopted the non-mandatory requirements specified under Part E of Schedule II of SEBI Listing Regulations regarding direct reporting of Internal Auditor of your Company to the Audit Committee of the Board of Directors.

Also, certificate from Practicing Company Secretary has been obtained to the effect that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board or Ministry of Corporate Affairs or any other Statutory Authorities. The said certificate is annexed to this Report.

Weblink:

a. Web link of Policy for determining 'material' subsidiaries is https://dixoninfo.com/json/dixon/codes-policy/PolicyonMaterialSubsidiary06042020.pdf and;

b. Web link of Policy on dealing with related party transactions is https://dixoninfo.com/json/dixon/codes-policy/RPT%20Policy-F-01042022.pdf

Non Compliance of any Requirement of Corporate Governance Report

Your Company has not made any non- compliance of any requirement of Corporate Governance Report

Confirmation of Compliance with the Corporate Governance Requirements Specified in Regulation 17 To 27 And Clauses (B) to (I) of Sub-Regulation 2 of Regulation 46 of Sebi Listing Regulations

Your Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

Compliance management

The Corporate Affairs Department ensures that your Company conducts its businesses with high standards of compliance in legal, statutory and regulatory. Your Company has instituted an online legal Compliance Management System in conformity with the best Industry standards which gives the compliance status on real time basis.

NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, statement of investor complaints, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: centralised database of all complaints by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

General Shareholders' Information

Disclosures with respect to demat suspense account/ unclaimed suspense account

Your Company does not have any securities in the demat suspense account/unclaimed suspense account.

General shareholder information required under regulation 36(3) of the SEBI Listing Regulations:

Name of Director	Mr. Sunil Vachani	Mr. Atul B. Lall	Dr. Manuji Zarabi
Nature of Appointment	Director liable to retire by rotation	Director liable to retire by rotation	Not liable to retire by rotation
DIN	00025431	00781436	00648928
Date of Birth	27th November, 1968	5th January, 1962	24th August, 1947
Date of Appointment/ Re-appointment	15th January, 1993	30th June, 2000	23rd February, 2017
Qualification	Degree of Associate of Applied Arts in Business Administration from the American College in London	Master's degree in management studies from the Birla Institute of Technology and Science, Pilani	Doctor of Philosophy from the Indian Institute of Science, Bangalore
Expertise in Specific area	Mr. Sunil Vachani has nearly three decades of experience in the EMS industry. He is associated with the Company since its inception and under his reins, the Company has been adjudged as one of the leading Indian EMS by various trade journals and industry bodies. Mr. Vachani has been associated with various industry bodies and has headed ESC (Electronics Software Export Promotion Council of India) for 2 years besides being active in Confederation of Indian Industry (CII) as the Co-Chair of ICTE Committee & Executive Committee member of CEAMA (Consumer Electronics and Appliances Manufacturers Association).	Mr. Atul B. Lall has been associated with the Company since inception. As Vice Chairman & Managing Director of the Company, he is responsible for Company's overall business operations. With nearly three decades of experience in the EMS industry, he has served as a member of the Technical Evaluation Committee for Electronic Manufacturing Services under M-SIPS (Electronic Manufacturing Services- EMS) constituted by the DeitY and served as a representative of ELCINA on the Committee for Reliability of Electronic and Electrical Components and Equipment (LITD. 02) of the BIS. He has also authored the book, 'Gita and India Inc.'	Dr. Manuji Zarabi, is a Non-Executive Independent Director of our Company. He holds a degree of Doctor of Philosophy from the Indian Institute of Science, Bangalore. He was associated with Semiconductor Complex Limited, a Government of India Enterprise for over 25 years and retired as its Chairman cum Managing Director in August 2005. He was also a member of the working group on development of R&D and IP in electronics formed at DeitY.

Name of Director	Mr. Sunil Vachani	Mr. Atul B. Lall	Dr. Manuji Zarabi
Directorships in other Companies	**Unlisted Entity:** • Padget Electronics Private Limited • Dixon Electro Appliances Private Limited • Dixon Electro Manufacturing Private Limited • Dixon Technologies Solutions Private Limited • AIL Dixon Technologies Private Limited • Consumer Electronics and Appliances Manufacturers Association • Califonix Tech and Manufacturing Private Limited (w.e.f. 27.04.2022) **Listed Entity** Dixon Technologies (India) Limited	**Unlisted Entity:** • Padget Electronics Private Limited • Dixon Electro Appliances Private Limited • Dixon Electro Manufacturing Private Limited • Dixon Technologies Solutions Private Limited • Rexxam Dixon Electronics Private Limited • Califonix Tech and Manufacturing Private Limited (w.e.f. 27.04.2022) **Listed Entity** Dixon Technologies (India) Limited	**Unlisted Entity:** • Padget Electronics Private Limited • Dixon Global Private Limited • Masamb Electronics Systems Private Limited • Masamb Embedded Systems Private Limited **Listed Entity** Dixon Technologies (India) Limited
Membership / Chairman of Committees (other than your Company)*	NIL	NIL	NIL
Shareholding in the Company	15,749,644 equity shares (26.54%) as on 31st March, 2022	2,095,585 equity shares (3.53%) as on 31st March, 2022	NIL
Relationships between directors inter-se	Not related to any Director/Key Managerial Personnel of the Company	Not related to any Director/Key Managerial Personnel of the Company	Not related to any Director/Key Managerial Personnel of the Company

* In accordance with Regulation 26 of the SEBI Listing Regulations, Chairmanship/Committee Membership of Audit Committee & Stakeholders' Relationship Committee of other Public Limited Companies only has been considered.

For more details kindly refer Annexure - A forming part of Notice.

Regulation 34(3) compliance of SEBI Listing Regulations

Your Company is in compliance with the disclosures required to be made under this report in accordance with the Act and regulation 34(3) read with Schedule V to the SEBI Listing Regulations.

Company Registration details

Your Company is registered in the State of Uttar Pradesh, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L32101UP1993PLC066581.

Declaration for Affirmance of Compliance with Code of Conduct

In compliance with Regulation 17 of the SEBI Listing Regulations and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct for all Directors and Senior Management personnel. The code is available on the Company's website www.dixoninfo.com. The Code is applicable to all Board members and Senior Management personnel of your Company. Pursuant to Regulation 26(5) of the SEBI Listing Regulations, all members of senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Pursuant to Regulation 26(3) of the SEBI Listing Regulations, all the Board members and senior management of your Company as on 31st March, 2022 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the Vice Chairman and Managing Director is as below:

DECLARATION ON CODE OF CONDUCT

Dixon Technologies (India) Limited is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all directors, officers and employees. I hereby certify that the Board members and senior management personnel of the Company have affirmed compliance with the Code of Ethics and Business Conduct for the financial year 2021-22.

For **Dixon Technologies (India) Limited**

Sd/-
Atul B. Lall
(Vice Chairman & Managing Director)

Date: 30th May, 2022

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members
Dixon Technologies (India) Limited

We have examined the compliance of conditions of Corporate Governance by **Dixon Technologies (India) Limited** ("the Company"), for the Financial Year ended 31st March, 2022, as stipulated under regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated under Listing Regulations for the year ended 31 March 2022.

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 **Shirin Bhatt & Associates**
Company Secretaries
Firm Registration No. S2011DE162600

Shirin Bhatt
Proprietor
C.P. No. 9150
M.No. F8273
PR No. 1209/2021

Place: Greater Noida
Date: 30-05-2022
UDIN: F008273D000430904

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 of
Dixon Technologies (India) Limited
B-14 & 15, Phase-II, Noida-201305

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Dixon Technologies (India) Limited**, having CIN L32101UP1993PLC066581 and having registered office at B-14 & 15, Phase-II, Noida-201305 (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 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 ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No.	Name of the Director	DIN / PAN	Date of Appointment
1.	Mr. Sunil Vachani	00025431	15/01/1993
2.	Mr. Atul Bihari Lall	00781436	30/06/2000
3.	Dr. Manuji Zarabi	00648928	23/02/2017
4.	Mrs. Poornima Shenoy	02270175	23/02/2017
5.	Mr. Manoj Maheshwari	02581704	03/05/2017
6.	Mr. Keng Tsung Kuo	03299647	12/04/2019
7.	Dr. Rakesh Mohan	02790744	02/02/2021

Ensuring the eligibility 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.

For **Shirin Bhatt & Associates**
Company Secretaries
Firm Registration No. S2011DE162600

Shirin Bhatt
Proprietor
C.P. No. 9150
M.No. F8273
PR No. 1209/2021

Place: Greater Noida
Date: 30-05-2022
UDIN: F008273D000430046

CEO / CFO Certificate

To,
The Board of Directors
Dixon Technologies (India) Limited

1. We have reviewed financial statements and the cash flow statement of Dixon Technologies (India) Limited for the year ended 31st March, 2022 and 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.

2. 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.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee:

    i. that there are no significant changes in internal control over financial reporting during the year;

    ii. that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting

Sd/-
Atul B.lall
(Vice Chairman & Managing Director)

Sd/-
Saurabh Gupta
(Chief Financial officer)

Financial Statements

Independent Auditor's Report

To the Members of
DIXON TECHNOLOGIES (INDIA) LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **DIXON TECHNOLOGIES (INDIA) LIMITED** ("the Company"), which comprise the balance sheet as at 31 March, 2022, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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 of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of the Key audit matter

Key audit matter	How our audit addressed the key audit matter
Derivative financial instruments The Company has entered into various foreign exchange forward contracts which are used to manage and hedge foreign currency exchange risks. The Company has reported net derivative financial liabilities at fair value as at 31 March 2022. The Company's accounting policy on derivatives is disclosed in note 2.23 and related disclosures are included in note 42. The financial instruments are measured at fair value through profit and loss account. The fair value of the derivative financial instruments is based on year-end quotes received from counterparty banks. In respect of designated hedging relationships, the Company measures the effectiveness thereof using valuation models, such as hypothetical derivative method. Testing the fair valuation of derivative instruments and effectiveness of hedging relationships, where applicable, are complex exercises and hence required substantial involvement of senior personnel on the audit engagement with relevant experience. Accordingly, valuation of the derivative financial instruments and hedge accounting is determined to be a key audit matter.	We assessed the design and implementation and tested the operating effectiveness of the key controls over management's processes for valuation of derivative financial instruments. Our audit procedures included, but were not limited to, the following substantive procedures: • Obtained independent direct confirmations from banks to confirm the outstanding financial instruments to verify existence and rights. • Reviewed the hedging strategy of the Company, economic relationship and hedge ratio between hedged items and hedging instruments to assess the hedge effectiveness of derivative contracts to the extent hedge accounting is applied. • Inspected the underlying agreements and deal confirmations for the derivatives. • Assessed whether the accounting policy is consistent with the requirements of Ind AS 109 'Financial Instruments'. • Evaluated the appropriateness of disclosures in relation to financial risk management, derivative financial instruments and hedge accounting. We have also obtained written representations from management on whether the significant assumptions used in valuation of derivatives are considered reasonable.

Key audit matter	How our audit addressed the key audit matter
Incentive schemes The Company has operating facilities at various locations and based on the various incentive schemes of the respective state government, the Company is eligible for the incentives. The Company is required to fulfil the conditions mentioned in the notification/circular pertaining to that scheme for eligibility of incentive. The management applies its judgement for the recognition of incentive income. Where in the final determination of the claim accepted by the authorities can be modified/delayed. Given the complexity and magnitude of potential exposures across the company, and the judgement involved, this is a key audit matter	We have examined the processes and controls relating to recognition and measurement of incentive income. In this connection, we have: • Reviewed Government schemes and policy relating to incentives of the respective state governments • Examined registration for the scheme, subsequent departmental orders and regulations issued from time to time. • Checked the eligibility criteria including investment made by the Company. • Performed substantive procedures for calculation of eligible amount of incentives and the claims made by the Company. • Reviewed management assessment for likelihood of recoverability

Other Information

Information Other than the Standalone Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises of the information included in Director's Report, Management Discussions and Analysis (MD&A) and Corporate Governance Report, but does not include the financial statements and our auditor's report thereon, which we obtained on the date of this auditor's report.

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

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

- If based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report the fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

The Board of Director is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period 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 A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31 March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

   (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 (a) to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 37 (f) to the standalone financial statements;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note 37 (e) to the standalone financial statements.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries – refer Note 53(vii) to the financial statements.

(b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries - Refer Note 53(viii) to the financial statements.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend paid during the year and proposed final dividend for the year by the Company is in compliance with Section 123 of the Act.

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

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 22087701AJVVPJ9025

Place: Noida
Date: 30 May,2022

Annexure A to the Independent Auditor's Report

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

(i) In respect of Property, Plant and Equipment and other intangible assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant detail of Right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment and Right to use assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the freehold immovable properties (which are included under the head 'Property plant and equipment') are held in the name of the Company. In respect of leasehold properties, lease agreements are duly executed in favour of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

(e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and according to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of stock in transit, the management has performed alternate procedures, including verification of subsequent receipts.

(b) According to the information and explanations given to us, during the year, the Company has been sanctioned working capital limits in excess of ₹ 500 lakhs, in aggregate, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) According to the information and explanations given to us, the Company has made investments, provided guarantee, granted loans and advances in the nature of loans, secured or unsecured, to companies during the year, in respect of which:

(a) The Company has provided guarantees and security and granted unsecured loans to the Companies, and details of which are given below:

(₹ / Lakh)

Particulars	Loans	Guarantees	Security
Aggregate amount granted during the year			
- Subsidiaries	29,841	106,300	1100
- Joint Ventures	44	-	-
Balance outstanding as at balance sheet date in respect of above cases			
- Subsidiaries	2,143	156,300	1220
- Joint Ventures	44	-	1300

(b) In our opinion and according to the information and explanations given to us the investments made, guarantees provided, security given and the terms and conditions of grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.

(c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayment of principal amounts and the receipt of the interest are regular as per stipulation.

(d) In our opinion and according to the information and explanations given to us, in respect of loans or advances in the nature of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) In our opinion and according to the information and explanations given to us, no loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees and security provided, as applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has neither accepted any deposits nor the amounts which are deemed to be deposit during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, *prima facie,* the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

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

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

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited with the appropriate authorities as at 31 March 2022 on account of disputes are given below:

Name of the statute	**Nature of dues**	**Amount** (₹ in Lakhs)	**Amount paid under Protest** (₹ in Lakhs)	**Period to which the amount relates**	**Forum where dispute is pending**
Income Tax Act, 1961	Income Tax	172	-	2013-14	Income Tax Apellate Tribunal
	Income Tax	2,176	-	2014-15, 2016-17 and 2017-18	Commissioner of Income Tax (Appeals)
		2,348	**-**		
Goods and Services Tax Act, 2017	Goods and Services Tax	30	10	2017-18, 2018-19, 2019-20, 2020-21 and 2021-22	Joint Commissioner (Appeal) of Goods and Services
	Goods and Services Tax	3	3	2021-22	Additional Commissioner Grade-2, Appeal-1
		33	**13**		
Custom Act, 1962	Custom Duty	149	10	2009-10, 2010-11, 2011-12, 2013-14 and 2014-15	Custom Excise and Service Tax Appellate Tribunal
	Custom Duty	1,037	2	2009-10, 2010-11, 2011-12 and 2021-22	Commissioners of Customs
	Custom Duty	43	120	2011-12	Additional Commissioners of Custom
	Custom Duty	221	-	2015-18	Directorate of Revenue Intelligence
		1,450	**132**		
Central excise Act, 1944	Excise Duty	454	-	2007-08	The Supreme Court
	Excise Duty	377	28	2012-13, 2013-14, 2014-15 and 2015-16	Customs Excise and Service Tax Apellate Tribunal
	Excise Duty	36	-	2008-09	Commissioner of Central Excise
	Excise Duty	28	-	2009-10	Additional Commissioner of Central Excise
	Excise Duty	8	-	2007-08	Assistant Commissioner of Central Excise
		903	**28**		

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales Tax	8	1	2009-10, 2010-11 and 2011-12	High Court
	Sales Tax	251	37	2008-09, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, and 2017-18	Joint Commissioner
	Sales Tax	2	-	2009-10, 2011-12 and 2012-13	Deputy Commissioner
	Sales Tax	172	98	2017-18	Additional Commissioner
	Sales Tax	4	4	2016-17	Additional Commissioner
		437	140		

(viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

(c) In our opinion and according to the information and explanations given to us, the term loans availed by the Company were applied for the purposes for which the loans were obtained, though idle/ surplus funds which were not required for immediate utilisation were temporarily invested in liquid funds.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have not been used for long-term purposes during the year, by the Company.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company had not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x)(b) of the order are not applicable.

(xi) (a) In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports issued to the Company till date, covering the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, reporting clause 3 (xv) of the order are not applicable.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the Reserve bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.

(d) The Group does not have any CIC as part of the Group. Accordingly, the provisions of clause 3(xvi) (d) of the order are not applicable.

(xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

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

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment has been included in respect of said clause under this report.

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

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 22087701AJVVPJ9025

Place: Noida
Date: 30 May, 2022

Annexure B

Annexure B to the Independent Auditor's Report of even date on the standalone financial statements of DIXON TECHNOLOGIES (INDIA) LIMITED

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

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to the financial statements

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

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

7. Because of the inherent limitations of internal financial controls with reference to the financial statements, including the possibility of collusion or improper management override

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

Opinion

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

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

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 22087701AJVVPJ9025

Place: Noida
Date: 30 May,2022

Standalone Balance Sheet

as at 31 March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	48,796	29,117
(b) Capital work-in-progress	6	1,896	7,155
(c) Intangible assets	7	283	387
(d) Right -of-use asset	8	11,695	8,614
(e) Financial assets			
i. Investments	9	9,187	4,503
ii. Loans	10	2,000	-
iii. Other financial assets	11	2,101	1,037
(f) Other non-current assets	12	6,060	1,614
		82,018	**52,427**
Current assets			
(a) Inventories	13	65,589	55,544
(b) Financial assets			
i. Investments	9	13,502	9,525
ii. Trade receivables	14	84,559	1,00,300
iii. Cash and cash equivalents	15	11,142	3,605
iv. Bank balances other than cash and cash equivalents	16	505	488
v. Loans	10	187	5,900
vi. Other financial assets	11	2,480	1,100
(c) Other current assets	12	12,603	13,010
		1,90,567	**1,89,472**
TOTAL ASSETS		**2,72,585**	**2,41,899**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	1,187	1,171
(b) Other equity	18	91,039	69,061
		92,226	**70,232**
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities:			
i. Borrowings	19	17,460	5,638
ii. Lease liabilites	20	11,938	8,542
(b) Provisions	22	1,006	830
(c) Deferred tax liabilities (net)	23	1,237	1,455
(d) Other non current liabilities	26	1,405	-
		33,046	**16,465**
Current Liabilities			
(a) Financial liabilities:			
i. Borrowings	24	7,120	7,418
ii. Lease liabilites	20	769	656
iii. Trade payables	25		
- Total outstanding dues of micro and small enterprises		5,287	5,160
- Total outstanding dues to creditors other than micro and small enterprises		1,27,032	1,37,193
iv. Other financial liabilities	21	1,051	1,172
(b) Other current liabilities	26	5,176	3,052
(c) Provisions	22	565	543
(d) Current tax liabilities (net)	27	313	8
		1,47,313	**1,55,202**
TOTAL LIABILITIES		**1,80,359**	**1,71,667**
TOTAL EQUITY AND LIABILITIES		**2,72,585**	**2,41,899**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30 May, 2022

For and on behalf of the Board of Directors

Sunil Vachani
Chairman

Atul B. Lall
Vice Chairman and Managing Director

Saurabh Gupta
Chief Financial officer

Ashish Kumar
Company Secretary

Place: Noida
Date: 30 May, 2022

Standalone Statement of Profit and Loss

for the year ended 31 March, 2022

(₹ in Lakhs)

	Particulars	Note No.	Year ended 31 March, 2022	Year ended 31 March, 2021
	INCOME			
1	Revenue from operations	28	7,48,441	5,67,460
2	Other income	29	262	239
3	**Total income (1+2)**		**7,48,703**	**5,67,699**
4	**EXPENSES**			
	(a) Cost of materials consumed	30	6,79,586	5,06,070
	(b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	(1,280)	119
	(c) Employee benefits expense	32	16,222	12,549
	(d) Finance costs	33	3,015	2,591
	(e) Depreciation and amortisation expense	34	5,072	3,846
	(f) Other expenses	35	26,051	21,908
	Total expenses (4)		**7,28,666**	**5,47,083**
5	Profit before exceptional items and tax (3-4)		20,037	20,616
6	Exceptional items		-	-
7	**Profit before tax (5-6)**		**20,037**	**20,616**
8	Tax expense:	36		
	(a) Current tax		5,117	5,344
	(b) Deferred tax		(214)	199
	(c) Income tax for earlier years (net)		38	(124)
	Tax expense (8)		**4,941**	**5,419**
9	Profit for the year (7-8)		**15,096**	**15,197**
10	**Other Comprehensive Income ('OCI')**			
	(a) Items that will not be reclassified to profit or loss - re-measurement of defined benefit liabilities		(14)	(7)
	(b) Income tax relating to items that will not be reclassified to profit or loss		4	2
	Other Comprehensive Income for the Year (Net of Tax)		**(10)**	**(5)**
11	**Total Comprehensive Income for the year (9+10)**		**15,086**	**15,192**
12	Earnings per share	40		
	(Nominal value of share ₹ 2)			
	(a) Basic		25.63	26.14
	(b) Diluted		25.38	25.56

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30 May, 2022

For and on behalf of the Board of Directors

Sunil Vachani
Chairman

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Vice Chairman and Managing Director

Saurabh Gupta
Chief Financial officer

Ashish Kumar
Company Secretary

Place: Noida
Date: 30 May, 2022

Standalone Statement of Cash Flows

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Cash flow from operating activities		
Profit before tax	20,037	20,616
Adjustments for :		
Depreciation and amortisation expense	5,072	3,846
Finance Costs	3,015	2,591
(Gain) /Loss on Exchange fluctuation	(73)	58
Provision for impairment of property, plant and equipment	-	205
Interest income	(135)	(140)
Rent income waiver	-	(57)
Income from Mutual fund Investment	(55)	(38)
Provision for doubtful debts / loans and advances written back	-	(4)
(Profit)/Loss on sale of property, plant and equipment	5	33
Subsidy Income	(697)	-
Share based payment expenses	1,073	938
Bad debts written off	9	3
	28,251	**28,051**
Changes in working capital		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(10,045)	(19,144)
Trade receivables	15,732	(57,438)
Other current assets	407	(5,656)
Other financial assets		
- non-current	(1,064)	(180)
- current	722	1,487
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(10,034)	70,949
Other financial liabilities	(2)	110
Other current liabilities	2,124	2,549
Provisions	184	302
Cash generated from operating activities	**26,275**	**21,030**
Income tax paid (net)	(4,850)	(5,232)
Net cash generated from/ (used in) operating activities	**21,425**	**15,798**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment and intangible assets	(21,225)	(11,331)
Loan given	(39,588)	(5,900)
Repayment of loan given	43,301	
Sale proceeds of property, plant and equipment	1,104	21
Investment in Mutual Funds	(3,977)	(9,525)
Equity investments in shares of subsidiaries	(4,684)	(2)
(Increase) / decrease in bank balance not classified as cash and cash equivalent	(17)	(54)
Income from Mutual fund Investment	55	38
Dividend Income	-	-
Interest income received	135	140
Net cash generated from/(used in) investing activities	**(24,896)**	**(26,613)**

Standalone Statement of Cash Flows

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
C. Cash flow from financing activities		
Interest paid	(3,656)	(2,995)
Repayment of Lease liabilities	(2,767)	-
Proceeds from issue of share	6,421	2,686
Proceeds/ (repayment) from current borrowings (net)	(2,490)	769
Proceeds from non current borrowings	14,778	4,680
Repayment of non current Borrowings	(693)	(54)
Dividend paid	(586)	-
Net cash generated from/(used in) financing activities	**11,007**	**5,086**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**7,536**	**(5,729)**
Cash and cash equivalents at the beginning of the year	3,605	9,335
Cash and cash equivalents at the end of year (refer note 15)	**11,141**	**3,605**

Notes:

i. The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 on statements of cash flow.

ii. Figures in brackets indicate cash outflow.

iii. Figures for the previous year have been regrouped wherever considered necessary.

iv. Current taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30 May, 2022

For and on behalf of the Board of Directors

Sunil Vachani
Chairman

Atul B. Lall
Vice Chairman and Managing Director

Saurabh Gupta
Chief Financial officer

Ashish Kumar
Company Secretary

Place: Noida
Date: 30 May, 2022

Standalone Statement of Changes in Equity

for the year ended 31 March, 2022

a. Equity share capital

(₹ in Lakhs)

	Amount
Balance as at 31st March 2020	1,157
Changes in equity share capital due to prior period errors	-
Reinstated balance at the beginning of the period	-
Shares issued under employee stock option scheme (see note 43)	14
Balance as at 31st March 2021	**1,171**
Changes in equity share capital due to prior period errors	-
Reinstated balance at the beginning of the period	-
Shares issued under employee stock option scheme (see note 43)	16
Balance as at 31st March 2022	**1,187**

b. Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus					Other Comprehensive Income	Total
	General Reserve	Securities Premium	Capital Redemption Reserve	Share Option Outstanding	Retained Earnings	Remeasurement of Defined Benefit Plans	
Balance as at 31 March, 2020	1,111	14,149	33	427	34,654	(115)	50,259
Profit for the year	-	-	-	-	15,197	-	15,197
Dividend paid	-	-	-	-	-	-	-
Share options expenses for the year	-	-	-	938	-	-	938
Transfer for share option exercised during the year	493	-	-	(493)	-	-	-
Premium on issue of share under employee stock option scheme	-	2,672	-	-	-	-	2,672
Remeasurement Gain/(Loss) on defined benefit plans,net of income tax	-	-	-	-	-	(5)	(5)
Balance as at 31 March, 2021	**1,604**	**16,821**	**33**	**872**	**49,851**	**(120)**	**69,061**
Profit for the year	-	-	-	-	15,096	-	15,096
Dividend paid	-	-	-	-	(586)	-	(586)
Share options expenses for the year	-	-	-	1,073	-	-	1,073
Transfer for share option exercised during the year	849	-	-	(849)	-	-	-
Premium on issue of share under employee stock option scheme	-	6,405	-	-	-	-	6,405
Remeasurement Gain/(Loss) on defined benefit plans,net of income tax	-	-	-	-	-	(10)	(10)
Balance as at 31 March, 2022	**2,453**	**23,226**	**33**	**1,096**	**64,361**	**(130)**	**91,039**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30 May, 2022

For and on behalf of the Board of Directors

Sunil Vachani
Chairman

Atul B. Lall
Vice Chairman and Managing Director

Saurabh Gupta
Chief Financial officer

Ashish Kumar
Company Secretary

Place: Noida
Date: 30 May, 2022

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

1 CORPORATE INFORMATION

Dixon Technologies (India) Limited ('the Company') is a Public Limited Company incorporated in India having its registered office located at B-14 & 15, Phase-II, Noida, Gautam Buddha Nagar, Uttar Pradesh, India- 201305. The Company's CIN - L32101UP1993PLC066581. It was incorporated as per the provisions of the Companies Act as Dixon Utilities and Exports Private Limited in the year 1993. The Company is listed on BSE Limited and National Stock Exchange of India Limited. The Company transformed from being a manufacturer of electronic goods to leading multi-product corporation with widespread activities. The Company is primarily engaged in the manufacturing of electronics as its core business activity.

2 BASIS OF ACCOUNTING

2.1 Statement of Compliance

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

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

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

2.2 Basis of preparation of financial statements

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

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

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

2.3 Current vs. Non-current classification

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

An asset is classified as current when it is:

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

All the other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current

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

2.4 Functional and Presentation Currency

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

2.5 Use of Estimates and Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

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

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

The areas involving critical estimates or judgments are:

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for."

Useful lives of property, plant and equipment

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

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been explained under note 2.17

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2.23, 2.27.

2.6 Inventories

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

2.7 Cash and Cash Equivalents

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

2.8 Property, Plant and Equipment

Recognition and Measurement:

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

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

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

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

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

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

Reclassification to Investment Property

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

Capital Work in Progress

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

Subsequent expenditure and componentisation

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

Depreciation and Amortization

Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.

In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components. The Company uses the useful life of assets as per Schedule II of the Companies Act, however in certain components of property, plant and equipment the life has been provided based on the useful life as follows:

Nature	Life in years
Plant and machinery	2-15 years
Tools and dies	15 years
Fan, coolers, air conditioners etc.	5 years
Computers	3 to 6 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of office equipment and computer over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.

Depreciation method, useful lives and residual values are reviewed at each Financial year-end and adjusted if appropriate.

Disposal of Assets

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

Reclassification to Investment Property

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

2.9 Investment properties

- Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

- Upon initial recognition, an investment Property is measured at cost. Subsequently they are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.

- Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

- Any gain or loss on disposal of investment property is determined as the difference between net disposal

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

proceeds and the carrying amount of the property and is recognized in the Statement of Profit and Loss.

- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of "the Act".

- Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

2.10 Intangible Assets

Recognition and Measurement

The intangible assets comprises software which is not an integral part of related hardware, is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

Amortization

- Intangible assets is amortised on straight line method over a period of three to six years.

- The amortization period and the amortization method are reviewed at least at the end of each Financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

2.11 Impairment of Non-Financial Assets

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

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

2.12 Non-current assets or disposal held for sale

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

- The sale is highly probable, and

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

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

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

2.13 Government Grants

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

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

2.14 Revenue Recognition

The Company engaged in the manufacturing washing machine, Moulding and Other Electronics etc.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Description of performance obligations are as follows:

Sale of Goods

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

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

Interest Income

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

Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

Other Operating Revenue

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

Insurance claims

Insurance claims are accounted for on acceptance or to the extent amount have been received.

2.15 Leases

As a lessee

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

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

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

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

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

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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

Short-term leases and leases of low-value assets

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

Arrangements in the nature of lease

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

2.16 Foreign Currency Transactions

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

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

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

2.17 Income Tax

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

Current Tax

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

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

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

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

Deferred Tax

Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

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

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

Notes to Standalone Financial Statements
for the year ended 31 March, 2022

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

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

2.18 Borrowing Cost

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

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

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

2.19 Provisions, Contingent Liabilities and Contingent Assets

Provisions

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

Warranties

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

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

Contingent Liabilities

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

Contingent Assets

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

2.20 Employee Benefits

Short Term Benefits

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

Other Long Term Employee Benefits

Leave, as the leave accrued, if any, lapses at the end of the year and hence, no liability in respect of accrued leave arises.

Post Employment Benefits

The Company operates the following post employment schemes:

- Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

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

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

Defined Contribution Plan

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

Termination Benefit

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

2.21 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year."

2.22 Interest in Subsidiaries and Jointly controlled entities

Investments in subsidiaries and jointly controlled entities are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries or the loss of significant influence over jointly controlled entities, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

2.23 Financial Instruments

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

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

Financial assets

- **Recognition and initial measurement:**

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

- **Classification and subsequent measurement:**

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

  - Measured at Amortized Cost;

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

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

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing Financial assets.

- **Measured at amortized cost:**

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

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
- The contractual terms of the Financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

- **Measured at FVTOCI:**

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

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

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

- **Measured at FVTPL:**

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

- **Equity Instruments measured at FVTOCI:**

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

All other Financial instruments are classified as measured at FVTPL.

Derecognition

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

- **Impairment of Financial Assets**

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

Financial liabilities:

- **Recognition and Initial Measurement:**

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

- **Subsequent Measurement:**

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

- **Financial Guarantee Contracts**

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

- **Derecognition**

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

Offsetting Financial instruments

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

Derivative Financial instruments:

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

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

Share capital

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

Offsetting financial instrument

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

2.24 Operating Segment

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

2.25 Earnings Per Share

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

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

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

2.26 Exceptional Items

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

2.27 Measurement of Fair Values

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

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-Financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

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

2.28 Research and development expenditure

Research and development expenditure that do not meet the criteria for the recognition of intangible assets are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

3 Recent accounting pronouncements

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

Ind AS 103 – Reference to Conceptual Framework

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

Ind AS 16 – Proceeds before intended use

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

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

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

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

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

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

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

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

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

a. Recognition of Deferred Tax Assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

b. Useful lives of depreciable/ amortizable assets (tangible and intangible): Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

c. Classification of Leases: The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

d. Defined Benefit Obligation (DBO): Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

e. Provisions and Contingencies: The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

f. Impairment of Financial Assets: The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

g. Allowances for Doubtful Debts: The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

h. Fair value measurement of Financial Instruments: When the fair values of Financial assets and Financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

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

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

5 Property, plant and equipment

(₹ in Lakhs)

	Land	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
At cost or deemed cost								
Balance as at 31 March, 2020	1,194	8,273	19,657	1,919	807	946	564	33,360
Additions	-	441	5,009	151	241	129	187	6,158
Disposals	-	3	192	1	109	3	92	400
Balance as at 31 March, 2021	**1,194**	**8,711**	**24,474**	**2,069**	**939**	**1,072**	**659**	**39,118**
Additions	4,996	2,671	15,423	718	236	329	322	24,695
Disposals	-	4	1,326	8	93	4	6	1,441
Balance as at 31 March, 2022	**6,190**	**11,378**	**38,571**	**2,779**	**1,082**	**1,397**	**975**	**62,372**
Accumulated depreciation and impairment								
i. Accumulated depreciation								
Balance as at 31 March, 2020	**32**	**682**	**4,573**	**445**	**277**	**409**	**365**	**6,783**
Charge for the Year	8	330	2,005	190	106	163	126	2,928
Disposals	-	-	41	-	90	1	86	218
Balance as at 31 March, 2021	**40**	**1,012**	**6,537**	**635**	**293**	**571**	**405**	**9,493**
Charge for the Year	8	372	2,866	215	122	178	152	3,913
Disposals	-	4	243	4	82	3	2	338
Balance as at 31 March, 2022	**48**	**1,380**	**9,160**	**846**	**333**	**746**	**555**	**13,068**
ii. Impairment Losses								
Balance as at 31 March, 2020	**-**	**-**	**303**	**-**	**-**	**-**	**-**	**303**
Additions	-	-	205	-	-	-	-	205
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March, 2021	**-**	**-**	**508**	**-**	**-**	**-**	**-**	**508**
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March, 2022	**-**	**-**	**508**	**-**	**-**	**-**	**-**	**508**
Net carrying amount								
As at 31 March, 2021	**1,154**	**7,699**	**17,429**	**1,434**	**646**	**501**	**254**	**29,117**
As at 31 March, 2022	**6,142**	**9,998**	**28,903**	**1,933**	**749**	**651**	**420**	**48,796**

Notes:

i. Free hold land includes land purchased in auction held by a Nationalised bank in the year 2016-17 marked as Plot no C 2/1,selaqui, Dehradun, Uttarakhand and registered in the name of the company. During the said year and thereafter, a party has instituted legal case disputing our ownership of the said land at various courts/ tribunals, including Hon'ble Debt Recovery Tribunal at Lucknow and Dehradun ('DRT') and Hon'ble Debt Recovery Appellate Tribunal, Allahabad ('DRAT') and Hon'ble Nainital High Court. The matters contested at DRT and DRAT has been decided in the favour of the Company. Further, the Company, being bonafide purchaser of the said land under the auction carried out by the Bank as per SARFAESI Act, 2002 is successfully defending the matters at Hon'ble Nainital High Court. As on date, the matter is sub-judice. The cost of land is ₹ 250 Lakhs and capital assets created thereon as on 31 March, 2022 is ₹ 1,695 Lakhs.

ii Information of the assets pledge as security, refer note 19, 24 and 38.

iii. There are no proceedings against Dixon Technologies (India) Limited , being the Company registered under "the Act", that have been initiated or pending against them for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

6 Capital Work in progress

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening balance	7,155	955
Additions during the year	6,430	6,861
Capitalised during the year	11,689	661
Closing Balance	**1,896**	**7,155**

Notes:

a) Ageing of Capital Work in progress

As at 31 March, 2022

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Projects in progress	1,547	349	-	-	1,896

As at 31 March, 2021

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Projects in progress	6,864	291	-	-	7,155

b) The project in process comprises project of FATL, LED TV, LED Lighting, Mobile - PCB and others

c) There is no capital-work-progress , whose completion is overdue or has exceeded its cost compared to its orignal plan.

d) See note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Standalone Financial Statements
for the year ended 31 March, 2022

7 Intangible assets

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022
At cost or deemed cost	
Balance as at 01 April, 2020	620
Additions	58
Disposals	-
Balance as at 31 March, 2021	**678**
Additions	-
Disposals	-
Balance as at 31 March, 2022	**678**
Accumulated amortisation	
Balance as at 01 April, 2020	**187**
Charge for the year	104
Disposals	-
Balance as at 31 March, 2021	**291**
Charge for the Year	104
Disposals	-
Balance as at 31 March, 2022	**395**
Net carrying amount	
At 31 March, 2021	**387**
At 31 March, 2022	**283**

8 Right -of-use asset

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Amounts recognised in balance sheet		
The balance sheet shows the following amounts relating to leases:		
Right of use assets	11,695	8,614
Land and buildings		
	11,695	**8,614**

a. Right-of-use assets

i. Carrying value of right of use assets

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	8,614	8,337
Additions during the year	4,142	1,097
	12,756	**9,434**
Depreciation during the year	1,055	816
Derecognised during the year	6	4
Closing balance	**11,695**	**8,614**

Note: see note no. 49 for other information

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

9 Investments

A. Non-current investments

(₹ in Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Nos.	Amount	Nos.	Amount
i. Investment in equity instrument				
(Unquoted, at cost)				
a. In subsidiary companies				
Dixon Global Private Limited	10,00,000	100	10,00,000	100
Equity shares of ₹ 10 Each				
Padget Electronics Private Limited	1,50,00,000	3,450	1,50,00,000	3,450
Equity shares of ₹ 10 Each				
Dixon Electro Appliances Private Limited	51,000	5	10,000	1
Equity shares of ₹ 10 Each				
Dixon Electro Manufacturing Private Limited	10,000	1	10,000	1
Equity shares of ₹ 10 Each				
Dixon Technologies Solutions Private Limited	10,000	1	10,000	1
Equity shares of ₹ 10 Each				
		3,557		**3,553**
b. In jointly controlled/ joint ventures company				
AIL Dixon Technologies Private Limited	95,00,000	950	95,00,000	950
Equity shares of ₹ 10 Each				
Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited)	60,00,000	600	-	-
Equity shares of ₹ 10 Each				
		1,550		**950**
ii. Investment in Preference share instrument				
(Unquoted, at cost)				
a. In subsidiary company				
Dixon Electro Appliances Private Limited	4,08,00,000	4,080	-	-
Preference shares of ₹ 10 Each				
		4,080		**-**
Aggregate carrying value of unquoted investments		9,187		4,503
Aggregate amount of impairment in the value of investments		**-**		**-**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

Notes:

I. Information of subsidiaries and jointly controlled/ joint ventures company

(₹ in Lakhs)

Name of entity	Principal activity	Place of incorporation	Principal place of business	Proportion of ownership interest/ voting rights held by the group	
				As at 31 March, 2022	As at 31 March, 2021
Subsidiary Companies					
i. Dixon Global Private Limited	Trading	Noida, India	Noida, India	100%	100%
ii. Padget Electronics Private Limited	Manufacturing	Noida, India	Noida, India	100%	100%
iii. Dixon Electro Appliances Private Limited	Manufacturing	Noida, India	Ludhiana, Punjab	51%	100%
iv. Dixon Electro Manufacturing Private Limited	Manufacturing	Noida, India	Noida, India	100%	100%
v. Dixon Technologies Solutions Private Limited	Manufacturing	Noida, India	Noida, India	100%	100%
Jointly controlled/ joint ventures company					
i. AIL Dixon Technologies Private Limited	Manufacturing	Noida, India	Andhra Pradesh, India	50%	50%
ii. Rexxam Dixon Electronics Private Limited*(Formerly known as Dixon Devices Private Limited)	Manufacturing	Noida, India	Noida, India	40%	-

*During the year, 'Rexxam Dixon Electronics Private Limited' (Formerly known as Dixon Devices Private Limited) have been incorporated, as wholly owned subsidiaries of the Company and subsequently company has entered into a Joint venture agreement with Rexxam Co., Ltd. according to which shareholding of the Company has been diluted to 40%.

II. Operation details of jointly control Company

i. AIL Dixon Technologies Private Limited

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Income	39,947	23,144
Expenses	**38,674**	**22,583**

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Assets	30,243	18,162
Liabilities	27,628	16,447
Contingent liabilities	500	-
Commitments (net of advance)	**-**	**10**

Note: The operations are disclosed to the extent of the share of the Company

Notes to Standalone Financial Statements
for the year ended 31 March, 2022

ii. Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited)

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Income	-	-
Expenses	6	-

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Assets	612	-
Liabilities	18	-
Contingent liabilities	-	-
Commitments (net of advance)	-	-

a) The information disclosed are based on unaudited financial statements of Rexxam Dixon Electronics Private Limited (formerly known as Dixon Devices Private Limited).

b) The information is disclosed to the extent of the share of the Company.

B. Current investments

(₹ in Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Nos.	Amount	Nos.	Amount
i. Investment in Mutual fund				
(Unquoted, carried at fair value through profit and loss)				
- SBI Overnight Fund-Regular Growth	1,02,198	3,501	1,66,138	5,515
- Axis Overnight Fund-Regular Growth	1,78,291	2,000	2,77,015	3,010
- DSP Overnight Fund-Regular Growth	88,089	1,000	-	-
- HDFC Overnight Fund	1,11,625	3,501	-	-
- UTI Overnight Fund-Regular Plan Growth	34,682	1,000	-	-
- Kotak Overnight Fund Growth (Regular Plan)	88,434	1,000	-	-
- ICICI Prudential Overnight Fund Growth	13,13,630	1,500	9,03,698	1,000
	19,16,949	**13,502**	13,46,851	**9,525**

Disclosure for Measurment of Investments

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Investment carried at amortised cost	-	-
Investment carried at fair value through FVTPL	13,502	9,525
Investment carried at fair value through OCI	-	-
Aggregate carrying value of unquoted investments	**13,502**	**9,525**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

10 Loans

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Current		
a. Loan to related parties (see note 47)		
Unsecured, considered good		
-to subsidiaries	2,000	-
	2,000	**-**
Current		
a. Loan to related parties (see note 47)		
Unsecured, considered good		
-to subsidiaries	143	5,400
-to joint ventures	44	500
	187	**5,900**

Notes

i. Disclosures of inter corporate loans as required by section 186(4) of the Companies Act, 2013 are as follows :

(₹ in Lakhs)

Particulars	Rate of Interest	Due Date	Secured/ Unsecured	As at 31 March, 2022	As at 31 March, 2021
A. Non current loan					
(For setting up of mobile production facility)					
Padget Electronics Private Limited	7.00%	31 March,2028	Unsecured	2,000	-
b. Current loan					
(For setting up new business facility)					
AIL Dixon Technologies Private Limited	6.65%	Repayable on demand	Unsecured	-	500
Dixon Technology Solution Private Limited	6.65%	Repayable on demand	Unsecured	56	-
Dixon Electo Appliance Private Limited	6.65%	Repayable on demand	Unsecured	50	-
Dixon Electo Manufacturing Private Limited	6.65%	Repayable on demand	Unsecured	37	-
Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited)	6.65%	Repayable on demand	Unsecured	44	-
Padget Electronics Private Limited	6.65%	Repayable on demand	Unsecured	-	5,400
				187	**5,900**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

ii. Disclosure of loans and advances in the nature of loans given to subsidiaries, associates and other companies in which directors are interested as required by Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A. Short term loans (repayable on demand):		
i. AIL Dixon Technologies Private Limited	-	500
(Maximum amount outstanding during the year ₹ 500 lakhs		
ii. Dixon Technology Solution Private Limited	56	-
(Maximum amount outstanding during the year ₹ 56 lakhs		
iii. Dixon Electo Appliance Private Limited	50	-
(Maximum amount outstanding during the year ₹ 50 lakhs		
iv. Dixon Electo Manufacturing Private Limited	37	-
(Maximum amount outstanding during the year ₹ 43 lakhs		
v. Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited)	44	-
(Maximum amount outstanding during the year ₹ 44 lakhs		
vi. Padget Electronics Private Limited	-	5,400
(Maximum amount outstanding during the year ₹ 7965 lakhs		
	187	5,900
B. Long term loan		
vii. Padget Electronics Private Limited	2,000	-
(Maximum amount outstanding during the year ₹ 2000 lakhs		
	2,187	**5,900**

11 Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
I. Non-current		
a. Amount paid under protest to government authorities	1,013	211
b. Security deposits	1,088	826
	2,101	**1,037**
II. Current		
a. Security deposits	-	52
b. Advances to employees (see note below)	90	404
c. Amount receivables from government authorities	2,384	617
(Incentive receivables and refund recoverable)	-	-
d. Other receivables	6	27
	2,480	**1,100**

Note: Advances to employees included amount due from directors/officers of the Company.

Notes to Standalone Financial Statements
for the year ended 31 March, 2022

12 Other assets

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
I. Non-current		
a. Capital advances	6,060	1,614
b. Other advances considered doubtful	28	28
Less : Provision for doubtful advances	(28)	(28)
	-	-
	6,060	**1,614**
II. Current		
a. Balance with Government Authorities (see note below)		
b. Advances to suppliers	9,675	8,738
c. Prepaid expenses	2,388	3,922
	540	350
	12,603	**13,010**

Note:

Balance with government authorities includes goods and service tax, custom duty etc.

13 Inventories
(Lower of cost and net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Raw materials and packing materials etc.		
-in stock	45,304	30,227
- in transit	7,506	13,819
b. Work-in-progress	4,675	8,335
c. Finished goods	8,104	3,163
	65,589	**55,544**

14 Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Trade receivables from related parties (see note 47)	6,425	7,286
b. Trade receivables-others	78,172	93,156
	84,597	1,00,442
Less: Provision for credit impaired trade receivables	38	142
	84,559	**1,00,300**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Secured, considered good	-	-
Unsecured, considered good	84,559	1,00,300
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	38	142
	84,597	**1,00,442**
Impairment Allowance (allowance for bad and doubtful debts)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired (refer note 42 (d) (A))	38	142
	38	142
Total trade receivables	**84,559**	**1,00,300**

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

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less then 6 Month	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade Receivables– considered good	74,876	9,588	95	-	-	-	84,559
Undisputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables– credit impaired	-	-	27	2	7	2	38
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	74,876	**9,588**	**122**	**2**	**7**	**2**	**84,597**

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

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less then 6 Month	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade Receivables– considered good	83,918	16,240	142	-	-	-	1,00,300
Undisputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables– credit impaired	-	-	16	47	8	-	71
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	71	71
	83,918	**16,240**	**158**	**47**	**8**	**71**	**1,00,442**

Notes:

i. The average credit period on sale of goods is 30 days to 60 days. No interest is charged on overdue trade receivables.

ii. The trade receivables ageing have been disclosed on due basis.

iii. There is no unbilled trade receivables at the year end.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

15 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Balances with banks		
-in current accounts	11,092	3,554
- in escrow accounts	29	17
b. Cash on hand	21	34
	11,142	**3,605**

16 Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Margin money deposits (see note below)	505	488
Balance in earmarked account -Unpaid dividend accounts	-	-
	505	**488**

Note:

Margin Money deposit balances are more than 3 month but less than 12 months. Margin money is held against letter of credit,bank guarantee and submitted with various taxation departments.

17 Equity share capital

(₹ in Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Nos.	Amount	Nos.	Amount
Authorised				
Equity shares of ₹ 2 each	13,00,00,000	2,600	13,00,00,000	2,600
Issued, subscribed and paid-up				
Equity shares of ₹ 2 each fully paid up	5,93,41,935	1,187	5,85,69,355	1,171
	5,93,41,935	**1,187**	**5,85,69,355**	**1,171**
a. Reconciliation of equity shares				
Balance as at the beginning of the year	5,85,69,355	1,171	1,15,70,141	1,157
Equity share arising on shares split from ₹ 10 to ₹ 2 per share (Refer note blow)	-	-	4,62,80,564	-
Share issued under employees stock option scheme	7,72,580	16	7,18,650	14
Balance as at the end of the year	**5,93,41,935**	**1,187**	**5,85,69,355**	**1,171**

Note:

Pursuant to the approval of the shareholders accorded on 7 March, 2021 vide postal ballot conducted by the Company, each equity share of face value of ₹ 10 per share was sub-divided into five equity shares of face value of ₹ 2 per share, with effect from 19 March, 2021.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

b. Terms and rights of equity shareholders

The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. 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 each share holders. There is no restriction on distribution of dividend, however, the same is subject to the approval of the share holders in the annual general meeting except in the case of interim dividend.

c. Details of shares held by share holders holding more than 5% of the aggregate shares in the Company.

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Mr. Sunil Vachani		
No's of shares	1,57,49,644	1,98,09,520
% holding	27%	34%
Mrs. Kamla Vachani		
No's of shares	44,31,222	44,93,965
% holding	7.47%	8%
Mrs. Gayatri Vachani		
No's of shares	39,37,577	-
% holding	6.64%	-

d Details of share held by Promoters*

(₹ in Lakhs)

Promotor Name	As at 31 March, 2022		As at 31 March, 2021		% change during the period
	No of shares	Amount	No of shares	Amount	
Promotor's Group					
Mr. Sunil Vachani					
No's of shares	1,57,49,644	315	1,98,09,520	396	
% holding	26.54%	26.54%	33.82%	33.82%	-7.28%
Mrs. Gayatri Vachani					
No's of shares	39,37,577	79	-	-	
% holding	6.64%	6.64%	0.00%	0.00%	6.64%
Mrs. Geeta Vaswani					
No's of shares	-	-	7,00,940	14	
% holding	0.00%	0.00%	1.20%	1.20%	-1.20%
Mr. Suresh Vaswani					
No's of shares	6,58,777	13	-	-	
% holding	1.11%	1.11%	0.00%	0.00%	1.11%
Mr. Kamal Vachani					
No's of shares #	3,502	-	2,277	-	
% holding	0.01%	0.01%	0.00%	0.00%	0.00%
Mr. Ravi Vachani					
No's of shares ##	7,269	-	7,500	-	
% holding	0.01%	0.01%	0.01%	0.01%	0.00%

* As defind under the Companies Act, 2013, but doesnot include person consider as Promoter group as per Regulations 2 (1) (zb) of SEBI ICDR Regulations.

[#] share held of ₹ 0.07 lakh (previous year ₹ 0.04 lakh)

[##] share held of ₹ 0.15 lakh (previous year ₹ 0.15 lakh)

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

e. Summary of dividend and proposed dividend

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Cash dividends on equity shares declared and paid		
Final dividend for the year ended on 31 March 2021: ₹ 1 per share	586	-
	586	**-**
Proposed dividends on Equity shares		
Final dividend for the year ended on 31 March 2022: ₹ 2 per share (previous year Rs1 per share)	1,187	586
	1,187	**586**

The Board of Directors have recommended a final dividend of 100 % (INR 2 per Equity Share of ₹ 2 each) for the financial year 2021-2022 subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

f. Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the reporting date

The Company has allotted 6,277,337 fully paid up shares of face value ₹ 10 each during the year ended 31 March 2017, pursuant to bonus issue approved by share holders in the Extra Ordinary general meeting held on 20th September, 2016 and Company has allotted 4 bonus shares for every 3 shares held.

g. Shares held by Holding or ultimate Holding company

The company doesn't have any Holding or ultimate Holding company.

h. Initial Public Offer

The Company had made an Initial Public Offer (IPO) during the year ended 31st March 2018, for 33,93,425 equity shares of ₹ 10 each, comprising of 3,39,750 fresh issue of equity shares by the Company and 30,53,675 equity shares offered for sale by share holders. The equity shares were issued at a price of ₹ 1,766 per share (including premium of ₹ 1,756 per share). Out of the total proceeds from the IPO of ₹ 59,928 Lakhs, the Company's share was ₹ 6000 Lakhs from the fresh issue of 339,750 equity shares. Fresh equity shares were allotted by the Company on 14th September 2017 and the shares of the Company were listed on the stock exchanges on 18th September 2017.

i. Shares reserved for issue under option

For details of shares reserved for issue and shares issued under the Employee Stock Option Plan (ESOP) of the Company, refer note 43. These options are granted to the employees subject to cancellation under circumstance of his cessation of employment with the Company on or before the vesting date.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

18 Other equity

(₹ in Lakhs)

Particulars		As at 31 March, 2022	As at 31 March, 2021
a.	General reserve	2,453	1,604
b.	Securities premium	23,226	16,821
c.	Capital redemption reserve	33	33
d.	Other comprehensive income	(130)	(120)
e.	Share option outstanding account	1,096	872
f.	Retained earnings	64,361	49,851
		91,039	**69,061**
a.	**General reserve**		
	Opening balance	1,604	1,111
	Transfer for share option exercised during the year	849	493
	Closing balance	**2,453**	**1,604**
b.	**Securities premium**		
	Opening balance	16,821	14,149
	Add: Premium on issue of share under employees stock option scheme (see note 43)	6,405	2,672
	Closing balance	**23,226**	**16,821**
c.	**Capital redemption reserve**		
	Opening balance	33	33
	Closing balance	**33**	**33**
d.	**Other comprehensive income-**		
	Remeasurement of defined benefit plans		
	Opening balance	(120)	(115)
	Movement during the year	(10)	(5)
	Closing balance	**(130)**	**(120)**
e.	**Share option outstanding**		
	Opening balance	872	427
	Add : Granted/ vested during the year	1,073	938
	Less : Exercised during the year (Refer note 43)	849	493
	Closing balance	**1,096**	**872**
f.	**Retained earnings**		
	Opening balance	49,851	34,654
	Add : Profit for the year	15,096	15,197
	Less: Appropriation		
	Final dividend on equity shares for the year ended 31 March, 2021 (₹ 1 per share)	586	-
	Closing balance	**64,361**	**49,851**

Notes:

a. General reserve:

The Company had transferred a part of the net profit of the Company to general reserve in earlier years. It also includes amount transferred to general reserve for share option exercised during the year and earlier years.

b. Share premium:

The amount received in excess of the face value of the equity shares issued by the Company is recognised in securities premium.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

c. Capital Redemption reserve:

The reserve has been created by buy back of equity shares and fully convertible cumulative participatory preference shares.

d. Other comprehensive income:

Other comprehensive income comprises the balance of remeasurement of retirement benefit plans.

e. Share option outstanding:

The above reserve relates to share options granted by the Company to its employees under its employee share option plan.

f. Retained earnings:

Retained earnings are profits of the Company earned till date less transferred to other reserves and dividend paid during the year.

19 Borrowings

(at amortised cost)

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
-Non Current		
i. From banks		
a. Term Loan (Secured)		
- HDFC Bank Limited (see note 'b' and 'c' below)	12,967	2,000
- Qatar National bank (see note 'a' below)	5,004	3,650
- Vehicle Loans (see note 'd' below)	48	121
	18,019	**5,771**
ii. From others (Non Banking Financial Company) (Secured)		
- Tata Capital Housing Finance Limited (see note 'e' below)	137	153
- Vehicle Loans-Sundaram Finance Limited (see note 'd' below)	2	7
	139	**160**
iii. Deferred payment liabilities (Secured)		
- Noida Authority of India (see note 'f' below)	1,873	-
	1,873	**-**
Total	**20,031**	**5,931**
Less: Current maturities of long term borrowings (refer note 24)	2,571	293
	17,460	**5,638**

Notes:

a. Term loan of ₹ 5,004 lakhs (previous year 3,650 lakhs) from Qatar bank is repayable in 8 half yearly instalments including two year moratorium, 40% in 4 equal half yearly instalments from 31 July, 2022 and remaining 60% in rest 4 equal half yearly instalments . Rate of interest on loan is linked to one year MCLR +1.10%of bank and interest is to be paid on monthly basis. The loan is secured against exclusive charge on land, building and machinery situted at plot no 30 & 31 EMC 2 Tirupati , Chittoor (Andhra Pradesh), current assets and including cash flows of the said project with security cover of 1.25 times and exclusive mortgage and hypothecation charge on current assets.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

b. Term loan from HDFC Bank Limited

Particulars		Term loan-1	Term loan-2	Term loan-3
A. Outstanding balance current year	₹/Lakh	3,577	6,000	3,389
Outstanding balance previous year		2,000	-	-
B. Rate of Interest	%	6 month MCLR+.60%	Repo Rate +1.06% with quarterly reset	Repo Rate +1.06% with quarterly reset
C. Terms of repayment		Repayable in 5 years including one year of moratorium followed by 20%, 20%, 30%, and 30% repayment in 2nd, 3rd, 4th and 5th year respectively	Repayable in 6.5 years including one year of moratorium followed by 10%, 15%, 15%,30%,20% and 10% repayment in 2nd, 3rd, 4th ,5th,6th and 7th year respectively.	Repayable in 6 years including one and half year of moratorium followed by 10%, 15%, 15%, 30% and 30% repayment in 2nd, 3rd, 4th,5th and 6th year respectively.
D. Swap agreement (Rupee loan swapped with USD loan)	USD Loan	In two parts in USD amounting USD 25 lakh and USD 25 lakh wherein company will pay interest in USD at 2.05% p.a & 2.0% p.a respectively.	In three Parts in USD amounting USD 1.745 Mn, USD 48 lakh and USD 13 lakh wherein company will pay interest in USD at 1.24% p.a , 1.38% p.a and 1.39 % p.a respectively.	USD 44 lakh wherein company will pay interest in USD at 1.38% p.a
	Rupee loan	Rupee Loan of ₹ 1,900 Lakhs and ₹ 1,876 Lakhs wherein company will receive interest in rupee at 6.0% p.a.	Rupee Loan of ₹ 1,320 lakh, ₹ 3,680 lakh and ₹ 1,000 lakh wherein company will receive interest in rupee at 5.06% p.a.	Rupee Loan of ₹ 3,389 lakh wherein company will receive interest in rupee at 5.06% p.a.

c. Security details of term loan from HDFC Bank Limited are as follows:

Term loan-1

Secured against exclusive charge on movable fixed assets of the company located in 262M, Central Hope Town, Selakui, Dehradun and C-3/1, Selaqui Industrial Area Dehradun, first pari passu charge on all movable fixed assets of the company (except those exclusively charged with other banks), and exclusive charge on immovable property located at Plot No C-2/1, UPSIDC Industrial Area, Selaqui, Dehradun.

Term loan-2 and Term loan-3

The loan is secured against exclusive charge on movable fixed assets of the company located at Khasra No. 1050/2, 1050/6, 1050/7, 1050/8, 1050/9 situated at Mauza East Hope Town, Tehsil Vikas Nagar , Pargana- Pachwa Doon, District – Dehradun (Uttrakhand), first pari passu charge on all movable fixed assets of the company (except those exclusively charged with other banks).

d. Vehicle loans are secured by way of hypothecation of the related assets. These are repayable in maximum sixty equal monthly instalments, repayment period is from 2017 ending on 2022-2023, bearing interest rate varying from 8.70% p.a to 10.06% p.a.

e. Loan is secured by mortgage of the related asset and is repayable in 120 monthly instalments from August’ 2017 to August’ 2027 bearing interest rate of 9.15% p.a.

f. The company took on lease a land from NOIDA for a period of 90 years at Plot No.6, Sector 151, Noida admeasuring 21,000 sq mtr on 10th August, 21 for an allotment value of ₹ 2,917 lakh against which the company made an upfront payment of ₹ 875 lakh and the balance of ₹ 2,042 lakh was to be paid in 10 equal half yearly instalments starting December’ 21 and last instalment to be paid in June’ 26. Out of the balance amount ₹ 168 lakh was paid in December’ 21 and the Interest is being levied at SBI MCLR Rate as decided. No assets have been pledged or mortgaged against the deferred payment allowed by the authority.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

g. Term of repayment of long term borrowing outstanding as at 31 March, 2022

(₹ in Lakhs)

Particulars	No. of Installments	As at 31 March, 2022	No. of Installments	As at 31 March, 2021
Secured monthly repayment				
Less than 1 year	25	68	42	95
Due 1 to 5 years	48	95	61	139
More than 5 years	8	24	20	47
Secured quarterly repayment				
Less than 1 year	14	1,095	2	200
Due 1 to 5 years	82	9,146	14	1,800
More than 5 years	18	2,725	-	-
Secured half yearly repayment				
Less than 1 year	12	1,434	-	-
Due 1 to 5 years	37	5,443	32	3,650
More than 5 years	-	-	-	-

a. The Company has not defaulted in the repayment of dues to its lenders and the company does not have unsecured borrowings.

b. Borrowings from banks and financial institution have been used for the specific purpose for which it was taken at the balance sheet date.

20 Lease liabilites

(see note below)

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A) Non Current		
a. Payable for lease obligation	11,938	8,542
	11,938	**8,542**
B) Current		
a. Payable for Lease Obligation	769	656
	769	**656**

Note:

For the other disclosure of leases refer note 49

21 Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A) Current		
a. Outstanding forward Marked to Market (MTM)	108	110
b. Unpaid dividend	-	-
c. Interest accrued but not due on Borrowings	2	16
d. Payable for property, plant and equipment	941	1,046
	1,051	**1,172**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

22 Provisions

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A) Non Current		
a. Provision for employee benefit		
i. Provision for gratuity (see note 44)	940	771
ii. Provision for compensated absences	66	59
	1,006	**830**
B) Current		
a. Provision for employee benefits		
i. Provision for gratuity (see note 44)	137	104
ii. Provision for compensated absences	19	15
b. Provision for warranty (see note below)	409	424
	565	**543**
Note:		
Movement in provision for warranty		
Opening balance	425	372
Provision made during the year	611	762
Claim paid / adjustments during the year	626	709
Closing provision	**410**	**425**

Basis of warranty:

The Company gives eighteen months warranty on LED bulbs and twelve months warranties on television and washing machines. LED bulbs are replaced with new bulbs and in respect of televisions and washing machines defective part is changed.

23 Deferred tax liabilities (net)

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Deferred tax liability		
i. Arising on account of timing differences in depreciation	1,546	1,718
b. Deferred tax assets		
i. Arising on account of timing differences in accrued expenses	309	263
	1,237	**1,455**

Note:

For deferred tax movement and tax reconciliation refer note 36.

24 Borrowings

(at amortised cost)

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. From Banks (Secured)		
i. Buyer Credits (see note 'I')	4,549	7,125
b. Current maturities of long term borrowings (see note 'II' below)	2,571	293
	7,120	**7,418**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

I Borrowings from banks (comprising of Libor financing -Buyer Credit backed by SBLC/Bank guarntee) are secured on pari-passu basis over all the present and future book debts and stock-in-trade comprising of raw material, Components, work in progress and finished goods. These are further secured by first pari-passu charge on entire block of (present and future) Property, Plant and Equipment comprising of land, building, plant and machinery etc. coupled with equitable mortgage of land and property at B-14 & B-15, Phase-II and Exclusive Charge over C-33 Phase II Noida (UP) and Exclusive Charge over Industrial Property located at Plot 18, Block B, Phase II, Noida (UP), Exclusive Charge over Industrial Property located Khasra No. 1050, Central Hope Town, Industrial Area, Selaqui, Dehradun (Uttarakhand), exclusive Charge on movable Fixed Assets of the unit located at plot no 262M, Industrial area, Central hope Town, Selaqui, and District – Dehradun (both Present and Future). First Pari Passu Charge over Movable Fixed Assets of unit located at C-1 Selaqui industrial Area, Dehradun (Uttrakhand). First Pari Passu charge over current assets of Co-borrower (DGPL), both present and future for Co-borrowers Limits. First Pari Passu Charge (with Bank's overseas Business Unit only) on the entire moveable fixed assets (except those exclusively charged to other lenders) of the borrower, both present and future. Second Pari Passu Charge by way of equitable mortgage over the immovable fixed assets at plot no 14 & 15, Block B, Phase 2, Noida Uttar Pradesh. Second Pari Passu Charge on the entire equitable mortgage over the immovable fixed assets (except those exclusively charged to other lenders) at plot no 14 & 15, Block B, Phase 2, Noida Uttar Pradesh.

II For security clause and repayment terms of borrowings, refer note 19.

25 Trade payables

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Total outstanding dues of micro and small enterprises*	5,287	5,160
b. Total outstanding dues to creditors other than micro and small enterprises	1,27,032	1,37,193
	1,32,319	**1,42,353**
*For detailed disclosure of micro and small enterprises see note 39		
Trade Payable to related parties (see note 47)	**1,071**	**6,806**

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

(₹ in Lakhs)

	Particulars	Not due	Outstanding for the following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i)	Total outstanding dues of micro enterprises and small enterprises	5,287	-	-	-	-	5,287
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,18,013	6,057	104	49	47	1,24,270
(iii)	Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv)	Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
		1,23,300	**6,057**	**104**	**49**	**47**	**1,29,557**
	Accrued expenses						2,762
							1,32,319

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

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

(₹ in Lakhs)

	Particulars	Not due	Outstanding for the following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i)	Total outstanding dues of micro enterprises and small enterprises	5,160					5,160
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,27,181	7,367	235	71	-	1,34,854
(iii)	Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv)	Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
		1,32,341	**7,367**	**235**	**71**	**-**	**1,40,014**
	Accrued expenses						2,339
							1,42,353

26 Other liabilites

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A) Non Current		
a. Provision for employee benefit		
a. Deferred Grant (see note 'i' below)	1,405	-
	1,405	**-**
B) Current		
a. Advances received from customers	1,073	61
b. Statutory dues payable	4,103	2,991
	5,176	**3,052**
Note:		
(i) Movement in deferred grant during the year:		
Deferred Grant:		
Balance at the beginning of the year	-	-
Capital grant recognised during the year (see note 52)	1,753	-
	1,753	**-**
Less: Depreciation pertaining to assets acquired from grant	348	-
	1,405	**-**

27 Current tax liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision for income tax (net)	313	8
	313	**8**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

28 Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Sale of products	7,33,307	5,59,032
Sale of services	14,364	8,345
Other operating revenues (see note below)	770	83
	7,48,441	5,67,460
A. Revenue from contracts with customers disaggregated based on nature of product or service		
a. Revenue from sale of products		
Manufactured goods	7,33,307	5,59,032
	7,33,307	**5,59,032**
b. Revenue from sale of services		
Service charges	130	60
Job work charges	14,234	8,285
	14,364	**8,345**
c. Other operating revenues		
Export benefits	7	17
Rent (production facility charges)	66	66
Other incentives	697	-
	770	83
Total revenue from operations	**7,48,441**	**5,67,460**
B. Disaggregated revenue information		
(Sale of products and services)		
The table below presents disaggregated revenue from contact with customers for the year ended March 2022 and March 2021. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors		
Revenue from contracts with customers disaggregated based on geography		
a. Domestic	7,47,092	5,66,831
b. Exports	579	546
	7,47,671	**5,67,377**
C. Reconciliation of Gross Revenue from Contracts With Customers (Sale of products)		
Total Revenue from Contract with Customers	7,34,806	5,59,113
Add: Cash Discount, Rebates, sales return, credit note etc	(1,499)	(82)
Net Revenue recognised from Contracts with Customers	**7,33,307**	**5,59,031**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

29 Other income

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Interest income		
- On fixed deposits (margin money)	22	34
- Others*	112	107
Other non operating income		
Income from waiver of lease rent	-	57
Foreign exchange fluctuation gain (Net)	73	-
Provision for doubtful debts / loans and advances written back	-	4
Gain on sale or fair value of mutual funds (at FVTPL)	55	37
	262	**239**

* Interest received on loan given to subsidiaries and joint venture (see note 10)

30 Cost of materials consumed

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Opening stock of raw material	30,226	21,614
Add: Purchases (Including Components)	6,94,664	5,14,682
	7,24,890	5,36,296
Less: Closing stock of raw material	45,304	30,226
	6,79,586	**5,06,070**

31 Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Inventories at the beginning of the year		
Finished Goods	3,163	1,946
Work in Progress	8,335	9,671
	11,498	11,617
Inventories at the end of the Year		
Finished Goods	8,104	3,163
Work in Progress	4,675	8,335
	12,779	11,498
(Increase)/Decrease	**(1,280)**	**119**

32 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Salaries and wages	12,056	9,181
Contribution to provident and other funds	755	564
Provision for gratuity (see note 44)	224	194
Share based payments to employees (see note 43)	1,073	938
Staff welfare expense	2,114	1,672
	16,222	**12,549**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

33 Finance costs

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Interest on borrowings	2,270	1,897
Interest on lease obligation	742	676
Other borrowing cost	3	18
	3,015	**2,591**

34 Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Depreciation on property, plant and equipment	3,913	2,927
Amortisation of intangible assets	104	103
Depreciation on right of use assets	1,055	816
	5,072	**3,846**

35 Other expenses

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Consumption of stores and spares	1,215	863
Contractor wages and job work charges	13,333	11,434
Service charge paid	128	196
Power and fuel	3,061	2,406
Rent	701	519
Repairs and maintenance:		
- for buildings	154	111
- for Plant and equipment	197	197
- for others	361	287
Insurance	617	417
Rates and taxes	204	156
Selling and distribution expenses	2,652	2,421
Donations to others	3	11
Director's sitting fees	27	13
Payment to auditors (refer note below)	36	32
Bad debts/advances write off	9	3
Exchange fluctuations (net)	-	66
Loss on sale of property, plant and equipment (net)	5	33
Corporate social responsibility expenses (see note 45)	365	193
Provision for impairment of property, plant and equipment	-	205
Bank charges	508	504
Miscellaneous expenses	2,475	1,841
	26,051	**21,908**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

Note:

Payment to auditors comprises:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Statutory auditors		
Audit Fees	27	24
Tax Audit Fees	3	3
Out of pocket expenses	1	1
	32	28
Other auditor		
Payment to Cost Auditor	4	**4**
	36	**32**

36 Tax expense

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Current tax expense	5,117	5,344
Deferred tax benefit	(213)	199
	4,904	**5,543**
Income Tax for earlier years (net)	38	(124)
Tax expenses for the year recognised in Profit and loss	**4,942**	**5,419**
Tax expense recognised in OCI	4	2
	4	2
	4,946	**5,421**
A. Reconciliation of income tax expense to statutory income tax rate of income		
Profit before tax	20,037	20,616
Income tax Rate	25%	25%
Estimated income tax expense	5,043	5,189
Tax effect of adjustments to reconcile expected Income tax expense to reported		
Non taxable income/expense (net)	94	51
Others	(233)	303
Income Tax expense in the Statement of Profit and Loss	**4,904**	**5,543**
B. Movement in the deferred tax liabilities (net):		
Deferred tax (net)		
a. Deferred tax liability	1,546	1,718
b. Deferred tax assets	309	263
	309	**263**
	1,237	**1,455**

Notes to Standalone Financial Statements
for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	As at 31 March, 2021	Recognised in Profit and loss	Recognised in OCI	As at 31 March, 2022
Deferred tax liabilities				
- Depreciation	1,717	(171)	-	1,546
	1,717	**(171)**	**-**	**1,546**
Deferred tax assets				
- Expenses allowed on payment basis	263	42	4	309
	263	**42**	**4**	**309**
	1,454	**(213)**	**(4)**	**1,237**

Particulars	As at 31 March, 2020	Recognised in Profit and loss	Recognised in OCI	As at 31 March, 2021
Deferred tax liabilities				
- Depreciation	1,479	238	-	1,717
	1,479	**238**	**-**	**1,717**
Deferred tax assets	222	39	2	263
- Expenses allowed on payment basis	222	39	2	263
	1,257	**199**	**(2)**	**1,454**

37 Contingent liabilities and commitments (to the extent not provided for)

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
a. Contingent liabilities		
Contingent liabilities not provided in respect of		
i. Letters of Credit (outstanding)	57,003	1,03,342
During the year, the Company has availed Non Fund based LC Limits of ₹ 1,64,500 Lakh (Previous year ₹ 97,000 lakhs) from various Banks to import raw material relating to manufacture of finished goods.		
ii. Guarantees issued by bankers on behalf of Company (These are covered by the charge created in favour of Company's banker by way of hypothecation of stock and trade receivables besides pledge of fixed deposits as margin money)	2,710	1,759
iii. Corporate guarantees given to Banks on behalf of subsidiary for purpose of financial assistance.	1,56,300	50,800
iv. Bill discounting with banks	25,824	7,117
v. a) Bond given to custom department on behalf of the joint venture company	1,300	1,400
b) Bond given to custom department on behalf of the Subsidiary company	1,220	-
b) Bond given to custom department under AEO	18,550	6,170
vi. **Claims against the Company not acknowledged as debt**		
a. Income tax	2,348	2,348
b. Sales tax	437	216
c. Goods and service tax	33	26
d. Excise, custom duty and service tax	2,353	1,723
e. Other disputes	36	19

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
vii. **Summary of amount paid under protest**		
a. Sales tax	140	39
b. Excise, custom duty and service tax*	860	162
c. Goods and service tax	13	10
	1,013	**211**

Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

* Search was conducted by Directorate of Revenue Intelligence (DRI) at company premises on 20 December, 2021. During investigation, questions were raised on interpretation issue on classification on import of goods. To avoid unnecessary business interruption, company has decide to pay a adhoc deposit of ₹ 700 Lakhs under protest in lieu of the alleged differential duty. Show cause notice has not been received from Department till the balance sheet date, In absense of same, liability amount is not ascertainable. The company is of opinion that demand is not sustainable.The management is of the opinion that the Company is in compliance of law and the Company has strong chances of success against any dispute/demand.

b. Contingent assets

During the current year, the Company have not recognised incentive from Government, considering the uncertainty over realisation of the incentive income/deferred grant. During the current year the Company has not recognised ₹ 867 lakhs (Previous year March 31,2021 ₹ 523 lakhs) incentive income/deferred grant on accrual basis (Refer note 52).

c. Capital commitments:

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Commitments for acquisition of property, plant and equipment (net of advances)	2,035	578

d. The Company has other commitments, for purchase of goods and services and employee benefits, in the normal course of business.

e. There are no amount which were required to be transferred to Investor Education and Protection Fund by the Company.

f. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

38 Assets pledged as security

The carrying amount of assets mortgaged as security for current and non-current borrowings are:

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current assets:		
Financial assets		
Trade receivables	84,559	1,00,300
Inventories (excluding in transit)	58,083	41,725
Total current assets mortgaged as security	**1,42,642**	**1,42,025**
Non-current:		
Land (Freehold and leasehold)	542	1,154
Vehicles	207	268
Buildings	4,629	5,626
Plant and machinery	31,906	19,364
Total non-currents assets mortgaged as security	**37,285**	**26,412**
Total assets mortgaged as security	**1,79,927**	**1,68,437**

Restrictions and covenants under leasing arrnagement over right of use assets is disclosed in note 8

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

39 Statement under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED):

The carrying amount of assets mortgaged as security for current and non-current borrowings are:

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
- Principal amount	5,287	5,160
- interest due	-	-
b. the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c. the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d. the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

The information of Micro, Small and Medium Enterprises have been disclosed to the extent information is available with the Company, the same have been relied upon by the auditors.

40 Earnings per share

(₹ in Lakhs)

Particulars	Units	Year ended 31 March, 2022	Year ended 31 March, 2021
a. Basic			
Profit for the year	₹ / Lakh	15,096	15,197
Weighted average number of equity shares	No's	5,88,99,761	5,81,29,275
Face value of per share	₹	2	2
Earnings per share - Basic	₹	25.63	26.14
b. Diluted			
Profit for the year	₹ / Lakh	15,096	15,197
Diluted number of equity shares	No's	5,94,73,503	5,94,67,355
Face value of per share	₹	2	2
Earnings per share - Basic	₹	25.38	25.56
The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:			
Weighted average number of equity shares used in the calculation of basic earnings per share	No's	5,88,99,761	5,81,29,275
Shares deemed to be issued for no consideration in respect of employee options on proportionate basis	No's	5,73,742	13,38,080
Weighted average number of equity shares used in the calculation of diluted earnings per share	No's	5,94,73,503	5,94,67,355

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

c. During the previous year, pursuant to the approval of the shareholders accorded on March 7, 2021 vide postal ballot conducted by the Company, each equity share of face value of ₹ 10/- per share was subdivided into five equity shares of face value of ₹ 2/- per share, with effect from March 19, 2021. Consequently, the basic and diluted earnings per share had been computed for all the periods presented in the standalone financial statements of the Company on the basis of the new number of equity shares in accordance with Ind AS 33 – Earnings per Share

41 Details of research and development expenditure

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
a. Revenue expenditure		
Cost of materials consumed	76	58
Employee benefits expense	331	273
Other expenses	106	31
Depreciation and amortisation expense	31	28
	545	390
b. Capital expenditure		
Purchase of property, plant and equipment	57	**13**
	57	**13**

42 Financial instruments

a. Capital Management

The Company objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less current investments and cash and cash equivalents) to equity ratio is used to monitor capital.

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Net debt		
a. Borrowings		
- Non current	17,460	5,638
- Current	7,120	7,418
	24,580	**13,056**
b. Cash and cash equivalents	11,142	3,605
c. Current investments	13,502	9,525
	24,644	**13,130**
Net debt	**2,507**	**219**
Total equity	**92,226**	**70,232**
Net debt to equity ratio	**2.72%**	**0.31%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

i. Loan covenants

Under the terms of the major borrowing facilities, the company is required to comply with the following financial covenants:

a. Current ratio Must be more then 1.33

b. Interest Coverage ratio must be more then 4.0 time

c. DSCR >1.5

d Total Debt /EBIDTA < 2.0

e Total Outside liabilities / Total Networth <2.5

f At least 30% of Collection (exculding Xiaomi sale) to be routed through HDFC bank account

b. Categories of financial instruments

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Financial asset		
a. Measured at cost		
i. Investments in subsidiaries and jointly controlled entities	9,187	4,503
b. Measured at amortised cost		
i. Other non current financial assets	2,101	1,037
ii. Trade receivables	84,559	1,00,300
iii. Cash and cash equivalents	11,142	3,605
iv Other bank balances	505	488
v. Other financial assets	2,480	1,100
vi. Loans		
- Non current	2,000	-
- Current	187	5,900
c. Measured at fair value through Profit and Loss (FVTPL)		
i. Investments		
-Current	13,502	9,525
Financial liabilities		
a. Measured at fair value through Profit and Loss (FVTPL)		
i. Outstanding forward Marked to Market (MTM)	108	110
b. Measured at amortised cost		
i. Borrowings		
- Non current	17,460	5,638
- Current (including current maturities of long term borrowings)	7,120	7,418
ii. Lease Liability		
- Non current	11,938	8,542
- Current	769	656
iii. Trade payables	1,32,319	1,42,353
iv. Other current financial liabilities	943	1,062

Notes:

a. There are no significant difference among the fair value of financial assets and liabilities classified as measured at cost or measured at fair value through profit and loss accordingly no separate disclosure of the same have been disclosed.

b. The derivative instruments with respect to forward contract are accounted for as fair value hedge.

c. The company has not classified any financial assets as hedge instruments and hence hedge accounting is not applicable.

Notes to Standalone Financial Statements
for the year ended 31 March, 2022

c. Fair value hierarchy

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

(₹ in Lakhs)

Particulars	Fair value hierarchy	As at 31 March, 2022	As at 31 March, 2021
Financials Assets			
Foreign currency forward contracts			
- Financial liabilities			
Outstanding forward contracts (MTM,FVTPL)	Level 2	108	110
Investments in mutual fund	Level 1	13,502	9,525

Valuation technique and key input

Discounted cash flow. Future cash flow estimated based on forward exchange rates (from observable forward exchange rates at the end of reporting period) and contract forward rates.

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

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

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

There are no transfers between levels 1 and 2 during the year.

Valuation processes

a. The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO) and the audit committee (AC).

b. Discussions of valuation processes and results are held between the CFO, AC and the valuation team quarterly, in line with the company's quarterly reporting periods.

d. Summary statement of standalone financial risk management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, 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, credit 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.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

A. Credit Risk Management

Credit risk is managed on group basis. For deposits only high rated banks/institutions are accepted.

For other financial assets, the company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assesses and maintains an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics.

The Company's exposure to customers is diversified and two Customers contributes to more than 10% of outstanding trade receivable 42,852 lakhs (Previous year ₹ ₹ 24,596 Lakh) as at 31 March, 2022.

Reconciliation of loss allowance provision

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	142	145
Additional provision made	-	76
Provision adjusted against the amount written off	104	79
Closing provision	**38**	**142**

The provision for loss allowances of trade receivables have been made by the management on the evaluation of trade receivables. The management at each reporting period made an assessment on recoverability of balances and on the best estimate basis the provision for loss allowances have been created.

B. Liquidity Risk

1 The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

2 The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The tables include principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

Maturities of financial liabilities

(₹ in Lakhs)

Particulars	<12 months	>12 months	Total	Carrying value
As on 31.03.2022				
Non Derivative				
Long Term Borrowings	2,571	17,460	20,031	20,031
Short term borrowings	4,549	-	4,549	4,549
Trade Payables	1,32,319	-	1,32,319	1,32,319
Lease liability				
- Current	769	-	769	769
- Non Current	-	11,938	11,938	11,938
Other financial liabilities				
- Current	1,051	-	1,051	1,051
As on 31.03.2021				
Non Derivative				
Long Term Borrowings	293	5,638	5,931	5,931
Short term borrowings	7,125	-	7,125	7,125
Trade Payables	1,42,354	-	1,42,354	1,42,354
Lease liability				
- Current	656	-	656	656
- Non Current	-	8,542	8,542	8,542
Other financials liabilities				
- Current	1,172	-	1,172	1,172

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Maturities of financial assets

(₹ in Lakhs)

Particulars	<12 months	>12 months	Total	Carrying value
As on 31.03.2022				
Non derivative				
Other financial assets				
- Non current	-	2,101	2,101	2,101
- Current	2,480	-	2,480	2,480
Investments				
- Non current	-	9,187	9,187	9,187
- Current	13,502	-	13,502	13,502
Trade receivables	84,559	-	84,559	84,559
Cash and cash equivalents	11,142	-	11,142	11,142
Bank balances other than cash and cash equivalent	505	-	505	505
Loans				
- Non current	-	2,000	2,000	2,000
- Current	187	-	187	187

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	<12 months	>12 months	Total	Carrying value
As on 31.03.2021				
Non derivative				
Other financial assets				
- Non current	-	1,037	1,037	1,037
- Current	1,100	-	1,100	1,100
Investments				
- Non current	-	4,503	4,503	4,503
- Current	9,525	-	9,525	9,525
Trade receivables	1,00,300	-	1,00,300	1,00,300
Cash and cash equivalents	3,605	-	3,605	3,605
Bank balances other than cash and cash equivalent	488	-	488	488
Loans				
- Non current	-	-	-	-
- Current	5,900	-	5,900	5,900

C. Market Risk Management

I. Foreign Currency Risk

a. The operation of the Company give exposure to foreign exchange risk arising from foreign currency transactions and foreign currency loans, primarily with respect to the US$. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company hedge the foreign currency exposure. The objective of the hedges is to minimize the volatility of the INR cash flows of highly probable forecast transactions.

b. The Company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. The company measures the forward contract at fair value through profit and loss.

c. The spot component of forward contracts is determined with reference to relevant spot market exchange rates. The differential between the contracted forward rate and the spot market exchange rate is defined as the forward points.

The foreign currency exposures for the year ended are as follows:

(₹ in Lakhs)

Particulars		As at 31 March, 2022			As at 31 March, 2021		
		Total	Hedged	Unhedged	Total	Hedged	Unhedged
Borrowings	In USD / Lakh	171	-	171	-	-	-
	In ₹ / Lakh	12,966	-	12,966	-	-	-
Buyers' Credit	In USD / Lakh	60	-	60	97	-	97
	In ₹ / Lakh	4,537	-	4,537	7,125	-	7,125
Creditors	In USD / Lakh	665	275	390	921	649	272
	In CNY / Lakh	123	-	123	286	-	286
	In JPY / Lakh	-	-		1,029	-	1,029
	In EURO / Lakh	-	-	-	5		5
	In ₹ / Lakh	51,928	20,847	31,081	72,620	47,672	24,947
Total liability	In USD / Lakh	896	275	621	1,018	649	369
	In CNY / Lakh	123	-	123	286	-	286
	In ₹ / Lakh	69,431	20,847	48,584	79,745	47,672	32,073
Debtors	In USD / Lakh	-	-	-	4	-	4
	In ₹ / Lakh	12	-	12	329	-	329
Total assets	In USD / Lakh	-	-	-	4	-	4
	In ₹ / Lakh	12	-	12	329	-	329

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

A. Foreign currency risk exposure

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Financial assets	12	329
Financial liabilities	48,584	32,073
Net exposure (liabilities)	**48,572**	**31,744**

Note:

The above amount represents the gross exposure i.e. both hedged and unhedged.

B. Sensitivity

The details of the Company's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currency ('USD'). 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Impact on profit or loss for the year	486	317
Impact on total equity as at the end of reporting year	363	238

This is mainly attributable to the exposure outstanding on Currency USD receivables and payables by the Company at the end of the reporting period. Impact on profit for the year are gross of tax.

II. Cash flow and Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The Company's borrowings at variable rate were mainly denominated in INR and USD.

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

a. Interest rate risk exposure

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Variable rate borrowings	24,393	12,775
Fixed rate borrowings	187	281
	24,580	**13,056**

b. Sensitivity Analysis

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

Impact on profit or loss for the year	244	128
Impact on total equity as at the end of reporting year	183	96
Impact on profit for the year are gross of tax.		

III. Price Risk

The entity do not have any investment in quoted securities or other equity instruments except for unquoted investments in subsidiaries and jointly controlled entity. Thus, the company is not exposed to any price risk.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

43 Employee Stock Option Plan

The company had a Dixon Technologies (India) Limited — Employee Stock Option Plan, 2018 ('Dixon ESOP 2018') and Dixon Technologies (India) Limited — Employee Stock Option Plan, 2020 ('Dixon ESOP 2020') which provided for the grant of equity shares of the company to the eligible employees of the company and its subsidiary companies. The board of directors recommended the establishment of the Dixon ESOP 2018 and Dixon ESOP 2020 to the shareholders on 26th May, 2018 and 22nd August, 2020 respectively and shareholders approved the recommendations of the Board of Directors in Annual General Meeting held on 25th July, 2018 and 29th September, 2020 respectively. The maximum aggregate number of shares that may be awarded under Dixon ESOP 2018 and Dixon ESOP 2020 was 500,000 equity shares and 300,000 Equity Shares respectively. Further, effective 19th March, 2021, the equity shares of the Company have been splitted from 1 equity share of ₹ 10/- each to 5 equity shares of ₹ 2/- each, therefore, the aforementioned numbers of equity shares have been adjusted accordingly in the below table. Under Dixon ESOP 2018, the company has approved 4 grants vide its meeting held on 31st October, 2018 , 13th November, 2019, 04th August, 2020 adn 25th March, 2022 and under Dixon ESOP 2020 has approved one grant vide its meeting held on 30th October, 2020. As per the plan, option granted under Dixon ESOP 2018 would vest in not less than one year and not more than 4 years from the date of grant of such options and the options granted under Dixon ESOP 2020 would vest in not less than one year and not more than 5 years from the date of grant of such options. Both the Plans are Equity Settled Plans.

(₹ in Lakhs)

Particulars	**Grant I**	**Grant II**	**Grant III**	**Grant IV**	**Grant-1**
	Dixon ESOP 2018				**Dixon ESOP 2020**
Date of Grant	31-Oct-18	13-Nov-19	04-Aug-20	25-Mar-22	30-Oct-20
Date of Share holders Approval	25-Jul-18	25-Jul-18	25-Jul-18	25-Jul-18	29-Sep-20
Date of Board of Directors Approval / Committee	26-May-18	26-May-18	26-May-18	26-May-18	22-Aug-20
No. of Option	24,88,000	24,500	72,500	26,500	15,00,000
Method of settlement (Cash/ Equity)	Equity	Equity	Equity	Equity	Equity
Vesting Period	31-Oct-19	13-Nov-20	04-Aug-21	25-Mar-23	30-Oct-21
	31-Oct-20	13-Nov-21	-	25-Mar-24	30-Oct-22
	31-Oct-21	-	-	25-Mar-25	30-Oct-23
	-	-	-	-	30-Oct-24
	-	-	-	-	30-Oct-25
Exercise Price (Per Share ₹)	373	419	1,434	3,459	1,538
Exercise Period	Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 4 years.	Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 3 years.	Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 2 years.	Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 4 years.	Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 6 years.
Ext. of Exercise Period	None	None	None	None	None

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	As at 31 March 2021				
	Grant I	Grant II	Grant III	Grant IV	Grant-1
	Dixon ESOP 2018				Dixon ESOP 2020
1 Outstanding at the beginning					
Employee Stock Option Plan, 2018					
-Shares arising out of options	12,50,250	24,500	-	-	-
-Weighted average exercise price	373	419	-	-	-
2 New option granted during the year					
Employee Stock Option Plan, 2018					
-Shares arising out of options	-	-	72,500	-	-
-Weighted average exercise price	-	-	1,434	-	-
Employee Stock Option Plan, 2020					
-Shares arising out of options	-	-	-	-	15,00,000
-Weighted average exercise price	-	-	-	-	1,538
3 Forfeited and expired					
-Shares arising out of options	81,250	-	-	-	2,65,850
-Weighted average exercise price	373	-	-	-	1,538
4 Options Exercised during the year					
Employee Stock Option Plan, 2018					
-Shares arising out of options	7,06,400	12,250	-	-	-
-Weighted average exercise price	373	419	-	-	-
5 Outstanding at the end					
Employee Stock Option Plan, 2018					
-Shares arising out of options	4,62,600	12,250	72,500	-	-
-Weighted average exercise price	373	419	1,434	-	-
Employee Stock Option Plan, 2020					
-Shares arising out of options	-	-	-	-	12,34,150
-Weighted average exercise price	-	-	-	-	1,538
6 Exercisable at the end					
Employee Stock Option Plan, 2018					
-Shares arising out of options	-	-	-	-	-
-Weighted average exercise price	-	-	-	-	-
Employee Stock Option Plan, 2020					
-Shares arising out of options	-	-	-	-	-
-Weighted average exercise price	-	-	-	-	-

Notes to Standalone Financial Statements
for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	As at 31 March 2022				
	Grant I	Grant II	Grant III	Grant IV	Grant-1
	Dixon ESOP 2018				Dixon ESOP 2020
1 Outstanding at the beginning					
Employee Stock Option Plan, 2018					
-Shares arising out of options	4,62,600	12,250	72,500	-	12,34,150
-Weighted average exercise price	373	419	1,434	-	1,538
2 New option granted during the year					
Employee Stock Option Plan, 2018					
-Shares arising out of options	-	-	-	26,500	-
-Weighted average exercise price	-	-	-	3,459	-
Employee Stock Option Plan, 2020					
-Shares arising out of options	-	-	-	-	-
-Weighted average exercise price	-	-	-	-	-
3 Forfeited and expired					
-Shares arising out of options	11,000	-	10,000	-	1,03,000
-Weighted average exercise price	373	-	1,434	-	1,538
4 Options Exercised during the year					
Employee Stock Option Plan, 2018					
-Shares arising out of options	4,51,600	12,250	62,500	-	2,46,230
-Weighted average exercise price	373	419	1,434	-	1,538
5 Outstanding at the end					
Employee Stock Option Plan, 2018					
-Shares arising out of options	-	-	-	26,500	-
-Weighted average exercise price	-	-	-	3,459	-
Employee Stock Option Plan, 2020					
-Shares arising out of options	-	-	-	-	8,84,920
-Weighted average exercise price	-	-	-	-	1,538
6 Exercisable at the end					
Employee Stock Option Plan, 2018					
-Shares arising out of options	-	-	-	-	-
-Weighted average exercise price	-	-	-	-	-
Employee Stock Option Plan, 2020					
-Shares arising out of options	-	-	-	-	-
-Weighted average exercise price	-	-	-	-	-

* Fair value of option is based on the valuation report of option.

Pursuant to the approval of the shareholders accorded on March 7, 2021 vide postal ballot conducted by the Company, each equity share of face value of ₹ 10/- per share was subdivided into five equity shares of face value of ₹ 2/- per share, with effect from March 19, 2021, accordingly the presentation for the current year have been updated.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

44 Employee benefits

a. Defined Contribution Plan

Provident Fund and Other Funds: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions for provident fund and pension as per the provisions of the Provident Fund Act, 1952 and other acts to the government. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. The company's obligation is limited to the amounts contributed by it.

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Contribution to provident and other funds		
a. Contribution to provident fund	662	492
b. Contribution to employee state insurance	41	36
c. Contribution to national pension scheme	52	36
	755	**564**

b. Defined benefits plan

Gratuity: The liability in respect of defined benefit plans includes Gratuity liability as per the provisions of the Payment of Gratuity Act, 1972 which is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees services. The company's obligation includes actuarial risk (interest risk, salary risk, longevity risk). Actuarial gains and losses in respect of post-employment are charged to the Profit and Loss Statement.

Assumptions

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Future Salary Increase	6.00%	6.00%
Discount rate	7.19%	6.76%
Mortality rates	100% of IALM (2012-14)	100% of IALM (2012-14)
Attributes of ages: withdrawal rate (%)		
up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Retirement age (years)	58	58

Amount recognised in Statement of Profit and Loss in respect of defined benefit plans are as follows.

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Service Cost		
- Current service cost	165	147
- Past service cost including curtailment gains/losses	-	-
	165	**147**
Net interest cost	59	47
Expense recognised in statement of profit and loss	**224**	**194**
Other Comprehensive Income (OCI)		
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(46)	3
Actuarial (gains) / losses arising from experience adjustments	60	4
Components of defined benefit costs recognised in other comprehensive income	**14**	**7**
	238	**201**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

Notes:

i. The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

ii. The remeasurernent of the net defined benefit liability is Included-in other comprehensive income.

iii. The Company gratuity scheme is unfunded.

The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plans is as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Provision for gratuity		
- Non-Current	940	771
- Current	137	104
	1,077	**875**

Experience Adjustments

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2020	Year ended 31 March, 2019	Year ended 31 March, 2018
Present value of DBO	1,077	875		693	498
Fair value of plan assets	-	-		-	-
Funded status	-	-		-	-
Gain/(loss) on obligation	(14)	(7)		(67)	(12)
Gain/(loss) on plan assets	-	-		-	-

Movements in the present value of the defined benefit obligation are as follows

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Liability at the beginning of the year	875	693
Interest Costs	59	47
Current Service Costs	165	147
Past Service Cost including curtailment Gains/ Losses	-	-
Benefits paid	(36)	(19)
Actuarial (Gain)/Loss on obligations due to change in Obligation	14	7
Liability at the end of the year	**1,077**	**875**

Sensitivity Analysis

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Impact of the change in discount rate		
Present Value of Obligation	1,077	875
Impact due to increase of 0.50 %	(51)	(42)
Impact due to decrease of 0.50 %	56	46
B. Impact of the change in salary increase		
Present Value of Obligation at the end of the period	1,077	875
Impact due to increase of 0.50 %	53	46
Impact due to decrease of 0.50 %	(49)	(41)

Notes:

i. Sensitivities due to mortality and withdrawals are not material, hence impact of change not calculated.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

ii. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

iii. The above sensitivity analysis are without giving the impact of tax.

Maturity Profile of Defined Benefit Obligation

(₹ in Lakhs)

Financial year	Amount
Apr 2022- Mar 2023	137
Apr 2023- Mar 2024	69
Apr 2024- Mar 2025	30
Apr 2025- Mar 2026	35
Apr 2026- Mar 2027	63
Apr 2027- Mar 2028	32
Apr 2028 onwards	712

Description of Actuarial Risk Exposure:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

a. Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b. Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c. Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

d. Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e. Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

c. Actuarial assumptions for compensated absences is as under:

(₹ in Lakhs)

Assumptions	Year ended 31 March, 2022	Year ended 31 March, 2021
i. Discounting rate	7.19%	6.76%
ii Future increase salary	6.00%	6.00%

45 Corporate Social Responsibility

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

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

(i)

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Gross amount required to be spent by the company	275	210
Total (A)	**275**	**210**
B. Amount spent by the company by		
a. Expenditure		
i. Guru Vishram Vridh Ashram	9	32
ii. Jan Maadhyam		16
iii. Nav Abhiyan	5	21
iv. Purkal Youth Development Society	1	20
v. Donation of Ambulances to Noida Authority	39	46
vi. The Akshaya Patra Foundation	-	-
vii. *PM Cares fund pertains to FY 2021-22	67	50
viii. Donation of Oxygen Cylinders	236	-
ix. Champa Devinder Dhi	2	-
x. Labhya Foundaion	5	-
Total (B)	**364**	**185**
b. Sanitation drive on service lane	-	8
Total (C)	**-**	**8**
Total Expenditure (B)+(C)	**364**	**193**
C. Shortfall at the end of the year	-	**17**

(ii) Details of ongoing CSR projects under section 135(6) of the Companies Act, 2013

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance as at the beginning of the year		
With the Company	-	17
In separate CSR Unspent account	-	-
	-	**17**
Amount required to be spent during the period	-	-
	-	-
Amount spent during the period		
From the Company's bank account	-	17
From separate CSR Unspent account	-	-
	-	**17**
Balance as at the closing of the year		
With the Company	-	-
In separate CSR Unspent account	-	-
	-	**-**

(iii) Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance as at the beginning of the year	17	-
Amount required to be spent during the period	275	210
Amount deposited in a specified fund of Schedule VII of the Act with in 6 months -	-	-
Amount spent during the period/year	364	193

Notes to Standalone Financial Statements
for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Shortfall/(excess) as at the closing of the year	**(72)**	**17**

(iv) Details of excess CSR expenditure under section 135(5) of the Act

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance excess spent as at the beginning of the year	17	-
Amount required to be spent during the period	275	-
Amount spent during the year (for the FY 2021-22)	364	-
Shortfall/(excess) as at the closing of the year	**(72)**	**-**

*The Company considering the pandemic of COVID-19 contributed ₹ 67 Lakhs towards the PM Cares Fund out of its CSR Budget for the FY 2021-22. And ₹ 50 Lakhs contribution in FY 2020-21 pertains to FY 2019-20.

46 Segment Reporting

The Chief Operating Decision Maker (CODM) comprises of the Board of Directors, Vice Chairman and Managing Director and Chief Financial Officer which examines the Company's performance on the basis of single operating segment Electronics Goods; accordingly segment disclosure has not been made.

Revenue from two customers (Previous year three customers) of the Company represented approximately ₹ 4,02,752 Lakhs (Previous year ₹ 307,103 Lakhs) individually more than 10% of the Company's total revenue.

47 Related parties

a. List of related parties

i. Subsidiary Companies

a. Dixon Global Private Limited

b. Padget Electronics Private Limited

c. Dixon Electro Appliance Private Limited

d. Dixon Technologies Solutions Private Limited (Previous year, incorporated as subsidiary on 16 March, 2021)

e. Dixon Electro Manufacturing Private Limited (Previous year, incorporated as subsidiary on 16 March, 2021)

f. Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited) (Incorporated as subsidiary on 15 May, 2021 upto 22 March, 2022)

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

ii. Joint Venture Company

a. AIL Dixon Technologies Private Limited

b. Rexxam Dixon Electronics Private Limited (from 23 March, 2022)

iii. Key Managerial Personnel and their relatives

a.	Mr. Sunil Vachani	Chairman
b.	Mr. Atul B. Lall	Vice Chairman and Managing Director
c.	Mr. Manuji Zarabi	Non Executive Independent Director
d.	Ms. Poornima Shenoy	Non Executive Independent Director
e.	Mr. Manoj Maheshwari	Non Executive Independent Director
f.	Mr. Keng Tsung Kuo	Non Executive Independent Director
g.	Mr. Prithvi Vachani	Son of Chairman (from 2 April, 2018)
h.	Mr. Saurabh Gupta	Chief Finance Officer (CFO)
i.	Mr. Rakesh Mohan	Non Executive Independent Director
j.	Mr. Ashish Kumar	Company Secretary

iv. Entities over which individuals mentioned in (iii) point above are able to exercise control/significant influence

a. Dixon Applied Technology Training Institute

v. Entities over which relatives of executive directors are able to exercise control/significant influence

a. Light House Partners

b. Topline Electronics Private Limited

c. Smartice LLP

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

b. Transactions /balances outstanding with related parties

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Venture		KMP and their relatives		Entities over which relatives of executive directors are able to exercise control/significant influence		Total	
	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Transactions during the year										
Investment in joint venture	-	-	600	-	-	-	-	-	600	-
Rexxam Dixon Electronics Private Limited	-	-	600	-	-	-	-	-	600	-
Investment in Subsidiaries	4	**2**	-	-	-	-	-	-	4	**2**
Dixon Electro Appliance Private Limited	4	-	-	-	-	-	-	-	4	-
Dixon Technologies Solutions Private Limited	-	1	-	-	-	-	-	-	-	1
Dixon Electro Manufacturing Private Limited	-	1	-	-	-	-	-	-	-	1
Investment in Preference Share Instrument	4,080	-	-	-	-	-	-	-	4,080	-
Dixon Electro Appliance Private Limited	4,080	-	-	-	-	-	-	-	4,080	-
Interest income	99	54	3	56	-	-	-	-	102	110
Padget Electronics Private Limited	96	54	-	-	-	-			96	54
AIL Dixon Technologies Private Limited	-	-	2	56	-	-	-	-	2	56
Dixon Electro Appliance Private Limited	1	-	-	-	-	-			1	-
Dixon Electro Manufacturing Private Limited	1	-	-	-	-	-			1	-
Dixon Technologies Solutions Private Limited	1	-	-	-	-	-			1	-
Rexxam Dixon Electronics Private Limited	-	-	1	-	-	-			1	-
Interest Paid	26	**58**	-	-	-	-	-	-	26	**58**
Padget Electronics Private Limited	26	58	-	-	-	-	-	-	26	58
Service charges received	-	-	130	**71**	-	-	-	-	130	**71**
AIL Dixon Technologies Private Limited	-	-	130	71	-	-	-	-	130	71
Service charges paid	-	-	-	-	-	-	1	-	1	-
Smartice LLP	-	-	-	-	-	-	1	-	1	-
Sale of goods	16,062	**19,726**	26	**1,307**	-	-	1	-	16,089	**21,033**
Dixon Global Private Limited	1,404	2,621	-	-	-	-	-	-	1,404	2,621
AIL Dixon Technologies Private Limited	-	-	26	1,307	-	-	-	-	26	1,307
Topline Electronics Private Limited	-	-	-	-	-	-	1	-	1	-
Padget Electronics Private Limited	14,658	17,105	-	-	-	-	-	-	14,658	17,105
Purchase of raw material	5,039	**21,334**	594	**1,085**	-	-	-	-	5,633	**22,419**
Dixon Global Private Limited	5,036	21,329	-	-	-	-	-	-	5,036	21,329
AIL Dixon Technologies Private Limited	-	-	594	1,085	-	-	-	-	594	1,085
Padget Electronics Private Limited	3	5	-	-	-	-	-	-	3	5
Job Work Charges received	178	**410**	26	**135**	-	-	-	-	204	**545**
Padget Electronics Private Limited	178	410	-	-	-	-			178	410
AIL Dixon Technologies Private Limited	-	-	26	135	-	-	-	-	26	135
Job Work Charges paid	91	10	-	-	-	-	-	-	91	10
Padget Electronics Private Limited	91	10	-	-	-	-	-	-	91	10

Notes to Standalone Financial Statements
for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Venture		KMP and their relatives		Entities over which relatives of executive directors are able to exercise control/significant influence		Total	
	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021
Sale of Property, plant and equipment	933	**32**	-	-	-	-	-	-	933	**32**
Padget Electronics Private Limited	933	32	-	-	-	-	-	-	933	32
Purchase of Property, plant and equipment	**11**	-	-	-	-	-	-	-	**11**	-
Padget Electronics Private Limited	11	-	-	-	-	-	-	-	11	-
Rent Received	63	**63**	-	-	-	-	-	-	63	**63**
Padget Electronics Private Limited	63	63	-	-	-	-	-	-	63	63
Reimbursement of Expenses	1	-	-	-	-	-	-	-	1	-
Dixon Electro Manufacturing Private Limited	1	-	-	-	-	-	-	-	1	-
Corporate Guarantee given on behalf of the Subsidiries	1,06,300	**44,300**	-	-	-	-	-	-	1,06,300	**44,300**
Padget Electronics Private Limited	79,300	42,300	-	-	-	-	-	-	79,300	42,300
Dixon Electro Appliance Private Limited	27,000	-	-	-	-	-	-	-	27,000	-
Dixon Global Private Limited	-	2,000	-	-	-	-	-	-	-	2,000
Bond Given to Custom Department by the company Behalf of Subsidiry	1,100	**1,000**	-	-	-	-	-	-	1,100	**1,000**
Padget Electronics Private Limited	1,100	1,000	-	-	-	-	-	-	1,100	1,000
Bond Given to Custom Department by joint venture companies on behalf of the company	100	-	-	-	-	-	-	-	100	-
AIL Dixon Technologies Private Limited	-	-	-	-	-	-	-	-	-	-
Padget Electronics Private Limited	100	-	-	-	-	-			100	-
Loan given to related party	29,841	**6,200**	44	**100**	-	**78**	-	-	29,885	**6,378**
AIL Dixon Technologies Private Limited	-	-	-	100	-	-	-	-	-	100
Padget Electronics Private Limited	29,692	6,200	-	-	-	-			29,692	6,200
Dixon Electro Appliance Private Limited	50	-	-	-	-	-	-	-	50	-
Dixon Electro Manufacturing Private Limited	43	-	-	-	-	-	-	-	43	-
Dixon Technologies Solutions Private Limited	56	-	-	-	-	-	-	-	56	-
Rexxam Dixon Electronics Private Limited	-	-	44	-	-	-	-	-	44	-
Mr. Saurabh Gupta	-	-	-	-	-	78	-	-	-	78
Loan repaid by the related party	33,098	**800**	500	-	-	**9**	-	-	33,598	**809**
AIL Dixon Technologies Private Limited	-	-	500	-	-	-	-	-	500	-
Padget Electronics Private Limited	33,092	800	-	-	-	-	-	-	33,092	800
Dixon Electro Manufacturing Private Limited	6	-	-	-	-	-	-	-	6	-
Mr. Sunil Vachani	-	-	-	-	-	5	-	-	-	5
Mr. Atul B. Lall	-	-	-	-	-	4	-	-	-	4
Mr. Prithvi Vachani	-	-	-	-	-	-	-	-	-	-

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Venture		KMP and their relatives		Entities over which relatives of executive directors are able to exercise control/significant influence		Total	
	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021
Borrowings received from related party	13,103	**2,400**	-	-	-	-	-	-	13,103	**2,400**
Padget Electronics Private Limited	13,103	2,400	-	-	-	-	-		13,103	2,400
Borrowings repaid to related party	13,103	**3,820**	-	-	-	-	-	-	13,103	**3,820**
Padget Electronics Private Limited	13,103	3,820	-	-	-	-	-	-	13,103	3,820
Director sitting fees	-	-	-	-	28	**13**	-	-	28	**13**
Mr. Rakesh Mohan	-	-	-	-	3	1	-	-	3	1
Mr. Manuji Zarabi	-	-	-	-	7	4	-	-	7	4
Ms. Poornima Shenoy	-	-	-	-	6	3	-	-	6	3
Mr. Manoj Maheshwari	-	-	-	-	7	3	-	-	7	3
Mr. Keng Tsung Kuo	-	-	-	-	5	2	-	-	5	2
Remuneration (including commission)	-	-	-	-	1,561	**1,311**	-	-	1,561	**1,311**
Mr. Sunil Vachani	-	-	-	-	500	469	-	-	500	469
Mr. Atul B. Lall*	-	-	-	-	643	605	-	-	643	605
Mr. Saurabh Gupta **	-	-	-	-	277	129	-	-	277	129
Mr. Ashish Kumar #	-	-	-	-	86	68	-	-	86	68
Mr. Prithvi Vachani	-	-	-	-	4	10	-	-	4	10
Mr. Rakesh Mohan					3	-	-	-	3	-
Mr. Manuji Zarabi	-	-	-	-	12	8	-	-	12	8
Ms. Poornima Shenoy	-	-	-	-	12	8	-	-	12	8
Mr. Manoj Maheshwari	-	-	-	-	12	8	-	-	12	8
Mr. Keng Tsung Kuo	-	-			12	8	-	-	12	8

* The amount does not include the shares issued to key managerial personnel under ESOP scheme with share capital amounting to ₹ 1 lakh (previous year ₹ Nil) and security premium amounting to ₹ 615 lakhs (previous year ₹ Nil).

** The amount does not include the shares issued to key managerial personnel under ESOP scheme with share capital amounting to ₹ 2 lakhs (previous year ₹ 2 lakhs) and security premium amounting to ₹ 548 lakhs (previous year ₹ 362 lakhs).

The amount does not include the shares issued to key managerial personnel under ESOP scheme with share capital amounting to ₹ 1 lakh (previous yaer ₹ 1 lakh) and security premium amounting to ₹ 382 lakhs (previous year ₹ 250 lakhs).

Notes to Standalone Financial Statements
for the year ended 31 March, 2022

b. Transactions /balances outstanding with related parties

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Venture		KMP and their relatives		Entities over which relatives of executive directors are able to exercise control/significant influence		Total	
	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021
Outstanding balances										
Trade Payable	1,071	**6,806**	-	-	-	-	-	-	1,071	**6,806**
Dixon Global Private Limited	1,071	6,806	-	-	-	-	-	-	1,071	6,806
Surety Bond Given to Custom Department on behalf of the Joint Venture companies	-	-	1,300	**1,400**	-	-	-	-	1,300	**1,400**
AIL Dixon Technologies Private Limited	-	-	1,300	1,400	-	-	-	-	1,300	1,400
Trade Receivables	6,267	**6,591**	157	**695**	-	-	1	-	6,425	**7,286**
AIL Dixon Technologies Private Limited	-	-	157	695	-	-	-	-	157	695
Dixon Electro Manufacturing Private Limited	1	-	-	-	-	-	-	-	1	-
Padget Electronics Private Limited	6,266	6,591	-	-	-	-	-	-	6,266	6,591
Topline Electronics Private Limited	-	-	-	-	-	-	1	-	1	-
Interest accrued but not due	3	-	1	-	-	-	-	-	4	-
Dixon Electro Appliance Private Limited	1	-	-	-	-	-	-	-	1	-
Dixon Electro Manufacturing Private Limited	1	-	-	-	-	-	-	-	1	-
Dixon Technologies Solutions Private Limited	1	-	-	-	-	-	-	-	1	-
Rexxam Dixon Electronics Private Limited	-	-	1	-	-	-	-	-	1	-
Loans	2,143	**5,400**	44	**500**	-	-	-	-	2,187	**5,900**
AIL Dixon Technologies Private Limited	-	-	-	500	-	-	-	-	-	500
Dixon Electro Appliance Private Limited	50	-	-	-	-	-	-	-	50	-
Dixon Electro Manufacturing Private Limited	37	-	-	-	-	-	-	-	37	-
Dixon Technologies Solutions Private Limited	56	-	-	-	-	-	-	-	56	-
Rexxam Dixon Electronics Private Limited	-	-	44	-	-	-	-	-	44	-
Padget Electronics Private Limited	2,000	5,400	-	-	-	-	-	-	2,000	5,400
Advances to Key management Persons	-	-	-	-	0.80	**165**	-	-	1.00	**165**
Mr. Atul B. Lall	-	-	-	-	0.17	-	-	-	0.17	-
Mr. Saurabh Gupta	-	-	-	-	-	125	-	-	-	125
Mr. Sunil Vachani	-	-	-	-	0.15	1	-	-	0.15	1
Mr. Prithvi Vachani	-	-	-	-	0.48	-	-	-	0.48	-
Mr. Ashish Kumar	-	-	-	-	-	39	-	-	-	39
Payable to Key Management Persons	-	-	-	-	22	**5**	-	-	22	**5**
Mr. Saurabh Gupta	-	-	-	-	6	-	-	-	6	-
Mr. Ashish Kumar	-	-	-	-	2	-	-	-	2	-
Mr. Manoj Maheshwari	-	-	-	-	3	1	-	-	3	1
Mr. Manuji Zarabi	-	-	-	-	3	2	-	-	3	2
Ms. Poornima Shenoy	-	-	-	-	3	1	-	-	3	1
Mr. Rakesh Mohan	-	-	-	-	2	1	-	-	2	1
Mr. Keng Tsung Kuo	-	-	-	-	3	-	-	-	3	-

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	Subsidiaries		Joint Venture		KMP and their relatives		Entities over which relatives of executive directors are able to exercise control/significant influence		Total	
	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021
Bond Given to Custom Department by the company behalf of Subsdiries	-	**1,000**	-	-	-	-	-	-	-	**1,000**
Padget Electronics Private Limited	-	1,000	-	-	-	-	-	-	-	1,000
Bond Given to Custom Department by Subsidiaries/ joint venture companies on behalf of the company	1,220	**3,000**	-	**1,400**	-	-	-	-	1,220	**4,400**
AIL Dixon Technologies Private Limited	-	-	-	1,400	-	-	-	-	-	1,400
Padget Electronics Private Limited	1,220	3,000	-	-	-	-	-	-	1,220	3,000
Corporate guarantee	1,56,300	**50,800**	-	-	-	-	-	-	1,56,300	**50,800**
Dixon Global Private Limited	8,000	8,000	-	-	-	-	-	-	8,000	8,000
AIL Dixon Technologies Private Limited	-	500	-	-	-	-	-	-	-	500
Dixon Electro Appliance Private Limited	27,000	-	-	-	-	-	-	-	27,000	-
Padget Electronics Private Limited	1,21,300	42,300	-	-	-	-	-	-	1,21,300	42,300
Investment in equity shares	3,557	**3,553**	1,550	**950**	-	-	-	-	5,107	**4,503**
Dixon Global Private Limited	100	100	-	-	-	-	-	-	100	100
AIL Dixon Technologies Private Limited	-	-	950	950	-	-	-	-	950	950
Dixon Electro Appliance Private Limited	5	1	-	-	-	-	-	-	5	1
Padget Electronics Private Limited	3,450	3,450	-	-	-	-	-	-	3,450	3,450
Dixon Technologies Solutions Private Limited	1	1	-	-	-	-	-	-	1	1
Dixon Electro Manufacturing Private Limited	1	1	-	-	-	-	-	-	1	1
Rexxam Dixon Electronics Private Limited	-	-	600	-	-	-	-	-	600	-
Investment in preference shares	4,080	-	-	-	-	-	-	-	4,080	-
Dixon Electro Appliance Private Limited	4,080	-	-	-	-	-	-	-	4,080	-

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

48 Disclosure of financial ratios

(₹ in Lakhs)

Particulars	Numerator	Denominator	As at 31 March, 2022	As at 31 March, 2021	Variance %	Reason for variance
Current Ratio	Current Assets	Current Liabilities	1.29	1.22	6%	
Debt-Equity Ratio	Total debt	Total equity	0.40	0.32	28%	Debt is increase in current year
Debt Service Coverage ratio	Net operating Income	Total debt service	0.62	0.97	-36%	Due to increase in debts
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	11.20	11.01	2%	
Trade Receivable Turnover Ratio	Net sales	Average trade receivables	8.10	7.81	4%	
Trade Payable Turnover Ratio	Net purchases	Average trade payables	5.06	4.82	5%	
Net Capital Turnover Ratio	Net sales	Working capital	17.30	16.56	5%	
Net Profit ratio	Net profit	Net sales	0.02	0.03	-25%	In current year profit is inrespect of turnover due to increase in cost
Return on Equity ratio	Net income	Total equity	0.16	0.22	-24%	Due to reduce in profit
Return on Capital Employed	Earning before interest and tax	Capital employed	0.18	0.27	-31%	Due to reduce in profit
Return on Investment	Earning before interest and tax	Total Assets	0.08	0.10	-12%	

(i) Working of the ratios

(₹ in Lakhs)

	Basis of ratios	As at 31 March, 2022	Ratio	As at 31 March, 2021	Ratio
a.	**Current ratio**				
	Current assets	1,90,567	1.29	1,89,472	1.22
	Current liability	1,47,313		1,55,202	
b.	**Debt Equity ratio**				
	Total debt (see note ii)	37,287	0.40	22,254	0.32
	Total equity (Equity share capital+ other equity)	92,226		70,232	
c.	**Debt service coverage ratio**				
	Net operating income (Profit after tax+Finance cost+Depreciation and amortisation expenses)	23,183	0.62	21,634	0.97
	Total debt service (Long term debt+Short term debt+Capital lease obligation)	37,287		22,254	
d.	**Inventory turnover ratio**				
	Cost of goods sold	6,78,306	11.20	5,06,189	11.01
	Average Inventory = (Opening stock + Closing stock) / 2	60,567		45,972	
e.	**Trade receivables turnover ratio**				
	Net sales (Total sales - Sales return)	7,48,441	8.10	5,59,032	7.81
	Average trade receivables = (Opening debtors +Closing debtors)/2	92,430		71,581	
f.	**Trade payables turnover ratio**				
	Total purchases (Net of purchase return)	6,94,664	5.06	5,14,682	4.82
	Average trade payables = (Opening creditors + Closing creditors)/2	1,37,336		1,06,878	
g.	**Net capital turnover ratio**				
	Net sales (Total sales - Sales return)	7,48,441	17.30	5,67,377	16.56
	Working capital = Current assets - Current liablities	43,254		34,270	

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

(₹ in Lakhs)

	Basis of ratios	As at 31 March, 2022	Ratio	As at 31 March, 2021	Ratio
h.	**Net profit ratio**				
	Net profit	15,096	0.02	15,197	0.03
	Net sales (Total sales - Sales return)	7,47,671		5,67,377	
i.	**Return on equity ratio**				
	Net operating income	15,096	0.16	15,197	0.22
	Total equity (Equity share capital+ other equity)	92,226		70,232	
j.	**Return on Capital Employed**				
	Earnings before interest and tax	23,052	0.18	23,207	0.27
	Capital employed = Total assets - Current liabilities	1,25,272		86,697	
k.	**Return on investment**				
	Earnings before interest and tax	23,052	0.08	23,207	0.10
	Total Assets	2,72,585		2,41,899	
(ii)	**Total Debt**				
a.	**Borrowings**				
	Non-current	20,031		5,931	
	Current	4,549		7,125	
b.	**Lease liability**				
	Non-current	11,938		8,542	
	Current	769		656	
		37,287		**22,254**	

49 Right -of-use asset

Movement in lease liabilities during the year:

(₹ in Lakhs)

	Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
a.	**Balance at the Beginning of the year**	9,198	8,567
	Additions	4,142	1,097
		13,340	9,663
	Finance cost accrued during the year	742	676
	Payment of lease liabilities	(1,369)	(1,082)
	Waiver of rent received during the year	-	(57)
	Derecognised during the year	(6)	**(4)**
	Balance as at end	**12,707**	**9,198**

b. Maturity analysis of lease liabilities:

i. The table below provides details regarding the contractual maturities of lease liabilities are as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Due within one year	769	656
Due later than one year and not later than five years	3,188	3,066
Due later than five years	8,750	**5,476**
Total	**12,707**	**9,198**

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

ii. The table below provides details regarding the cash outflow of lease liabilities are as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Due within one year	1,615	1,366
Due later than one year and not later than five years	7,844	5,697
Due later than five years	63,129	**10,448**
Total	**72,588**	**17,511**

c. Expense recognised in profit or loss

(₹ in Lakhs)

Particulars	Note	Year ended 31 March, 2022	Year Ended 31 March, 2021
Interest expense (included in finance costs)	33	742	676
Depreciation on right of use assets	34	1,055	816
Expenses relating to short-term and low value leases (included in other expenses)	35	701	**519**
		2,498	**2,011**

d. Cash outflow of the leases

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Payment of lease liabilities	1,369	1,082
Expenses relating to short-term and low value leases	701	**519**
	2,070	**1,601**

i. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

ii. Rental expense recorded for short-term and low value leases is ₹ 701 lakhs for the year ended March 31, 2022, (₹ 519 lakhs for the year ended March 31, 2021)the same have been recorded under the head 'Other expenses' in the financial statements.

iii. Rental income on assets given on sub-lease is ₹ Nil for the year ended 31 March, 2022. (₹ Nil for the year ended 31 March, 2021)

iv. Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

50 Consequent to the disruption caused due to COVID-19, the Company has made an assessment as at March 31, 2022 of recoverability of the carrying values of its assets such as property, plant and equipment, intangible assets having indefinite useful life, inventory, trade receivables, and other current assets giving due consideration to the internal and external factors. Further, on account of continued spread of COVID-19 disease in the country, the Company has made timely and requisite changes in the business model which has resulted in consistent growth across the product segments during the year. The Company is continuously monitoring the situation arising on account of COVID-19 and will make appropriate action required, if any.

51 The Board of Directors have recommended a final dividend of 100 % (₹ 2/- per Equity Share of ₹ 2/- each) for the financial year 2021-2022 subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

52 The Code on Social Security, 2020 ('Code') relating to employee benefits, during employment and post-employment benefits, has received the Presidential assent in September 2020. This Code has been published in the Gazette of India. However, the effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. The Company will evaluate the impact of the Code and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

53 Other Statutory Information

(i) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(ii) No penalties were imposed by the regulator during the year during the financial year ended 31 March, 2022.

(iii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(iv) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(v) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(vi) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(vii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ix) The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31, 2021.

(xi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(xii) 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), as disclosed in note(s),are held in the name of the company.

54 There are no subsequent event observed after the reporting period which have material impact on the Company's operation.

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

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30 May, 2022

For and on behalf of the Board of Directors

Sunil Vachani
Chairman

Atul B. Lall
Vice Chairman and Managing Director

Saurabh Gupta
Chief Financial officer

Ashish Kumar
Company Secretary

Place: Noida
Date: 30 May, 2022

Independent Auditor's Report

To the Members of
DIXON TECHNOLOGIES (INDIA) LIMITED

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Dixon Technologies (India) Limited** ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which comprise the consolidated Balance Sheet as at 31 March 2022, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at 31 March 2022, of consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note no. 53 of the Consolidated financial statements and 'Emphasis of Matter' paragraph given by auditor of a subsidiary Company which is reproduced as below:

Padget Electronics Private Limited (a subsidiary company) had filed an application with Reserve Bank of India dated 16 March 2020 for setting off Import payables to the suppliers against amount receivable from the distributors amounting to ₹ 13,561 Lakhs. Based on the RBI application, the company has set off the import payable amounting to ₹ 13,435 Lakhs and trade receivables from distributors ₹ 13,354 Lakhs and obsolete inventory of ₹ 81 Lakhs in the financial year 2019-20. The approval from RBI is still in process.

Our Opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Description of the Key audit matter

Key audit matter	Auditor's response
The Group has operating facilities at various locations and based on the various incentive schemes of the respective state Government, the Group is eligible for the incentives. The Group is required to fulfil the conditions mentioned in the notification/circular pertaining to that scheme for eligibility of incentive. The management applies its judgement for the recognition of incentive income. The final determination of the claim accepted by the authorities can be modified/delayed. Given the complexity and magnitude of potential exposures across the company, and the judgement involved, this is a key audit matter	We have examined the processes and controls relating to recognition and measurement of incentive income. In this connection, we have: • Reviewed Government schemes and policy relating to incentives of the respective state governments • Examined registration for the scheme, subsequent departmental orders and regulations issued from time to time. • Checked the eligibility criteria including investments made by the Group. • Performed substantive procedures for calculation of eligible amount of incentives and the claims made by the Group. • Reviewed management assessment for likelihood of recoverability.

Key audit matter	How our audit addressed the key audit matter
Derivative financial instruments The Group has entered into various foreign exchange forward contracts to manage and hedge foreign currency exchange risks. The Group has reported net derivative financial liabilities at fair value as at 31 March 2022. The Group's accounting policy on derivatives is disclosed in note 2.23 and related disclosures are included in note 44. The financial instruments are measured at fair value through profit and loss account. The fair value of the derivative financial instruments is based on year-end quotes received from counterparty banks. In respect of designated hedging relationships, the Group measures the effectiveness thereof using valuation models, such as hypothetical derivative method. Testing the fair valuation of derivative instruments and effectiveness of hedging relationships, where applicable, are complex exercises and hence required substantial involvement of senior personnel on the audit engagement with relevant experience. Accordingly, valuation of the derivative financial instruments and hedge accounting is determined to be a key audit matter.	We assessed the design and implementation and tested the operating effectiveness of the key controls over management's processes for valuation of derivative financial instruments. Our audit procedures included, but were not limited to, the following substantive procedures: • Obtained independent direct confirmations from banks to confirm the outstanding financial instruments to verify existence and rights. • Reviewed the hedging strategy of the Group, economic relationship and hedge ratio between hedged items and hedging instruments to assess the hedge effectiveness of derivative contracts to the extent hedge accounting is applied. • Inspected the underlying agreements and deal confirmations for the derivatives. • Assessed whether the accounting policy is consistent with the requirements of Ind AS 109 'Financial Instruments'. • Evaluated the appropriateness of disclosures in relation to financial risk management, derivative financial instruments and hedge accounting. We have also obtained written representations from management on whether the significant assumptions used in valuation of derivatives are considered reasonable.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises of the information included in Director's Report, Management Discussions and Analysis (MD&A) and Corporate Governance Report, but does not include the consolidated financial statements and our auditor's report thereon, which we obtained on the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work, we have performed, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to preparation of these consolidated financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; the 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 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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.

Other matters

a. We did not audit the financial statements of two subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra group transactions) of ₹ 1,35,849 lakhs as at 31 March, 2022, total revenues (after eliminating intra-group transactions) of ₹ 2,95,915 lakhs, profit after tax of ₹ 2,998 lakhs, total comprehensive income of ₹ 2,996 and net cash outflows amounting to ₹ 2,959 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b. We did not audit the financial statements of one subsidiary, whose financial statements reflects total assets (after eliminating intra-group transactions) of ₹ 5,849 lakhs as at 31 March, 2022, total revenue (after eliminating intra-group transactions) of ₹ 1,726 lakhs, net profit after tax of ₹ 32 lakhs and total comprehensive income of ₹ 102 lakhs and net cash inflows of ₹ 49 lakhs for the year ended 31 March, 2022, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax of ₹ 6 lakhs and total comprehensive loss of ₹ 6 lakhs for the year ended 31 March, 2022, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Board of Directors and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and our reliance on financial statements certified by the Board of Directors.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries and joint ventures and CARO reports issued by other auditors of subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are qualifications or adverse remarks by the other auditors in the CARO report of a subsidiary company included in the consolidated financial statements, the details of which are given below:

Sr. No.	Name	CIN	Holding Company/ Subsidiary/Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1.	Padget electronics Private Limited	U31908UP2013PTC057573	Subsidiary	Clause 2 (b) and 11 (a)

2. As required by Section 143(3) of the Act based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and joint ventures none of the directors of the Group companies and its joint venture companies is disqualified as on 31 March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and its joint ventures and the operating effectiveness of such controls, refer to our separate report in **Annexure A.**

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended; in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate financial statements of the subsidiaries, the remuneration paid by the Holding Company and its subsidiaries and joint venture to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of theGroup and its joint ventures – Refer Note 38(a) to the consolidated financial statements.

ii. The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts – Refer Note 38 (f) to the consolidated financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its joint ventures. Refer Note 38 (e) to the consolidated financial statements.

iv. a) The respective Managements of the Holding Company and its subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and other auditors of subsidiaries that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and joint ventures to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The respective Managements of the Holding Company and its subsidiaries, and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of subsidiaries that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries pr joint ventures from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries and joint ventures and that performed by other auditors of subsidiaries of which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend paid during the year and proposed final dividend for the year by Holding Company is in compliance with Section 123 of the Act.

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

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 22087701AJVVXI7399

Place: Noida
Date: 30 May, 2022

Annexure A

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

1. In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of **Dixon Technologies (India) Limited** (hereinafter referred to as the "Holding Company") and its subsidiary companies and its joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the 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 the company's business, including adherence to the respective company's policies, the safeguarding of the company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its joint ventures as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and its joint ventures as aforesaid.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls over financial reporting 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

7. 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 controls 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

8. In our opinion, the Holding Company, its subsidiary companies and its joint ventures, which are companies incorporated in India, have, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2022, based on 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.

Other Matter

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 22087701AJVVXI7399

Place: Noida
Date: 30 May, 2022

Consolidated Balance Sheet

as at 31 March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	75,833	40,588
(b) Capital work-in-progress	6	2,201	7,239
(c) Intangible assets	7	1,875	400
(d) Intangible assets under Development	7	38	-
(e) Right to use assets	8	19,590	13,218
(f) Goodwill		3,031	817
(g) Financial assets			
i. Investments	9	594	-
ii. Other financial assets	10	3,559	1,234
(h) Other non-current assets	11	6,296	1,962
		1,13,017	**65,458**
Current assets			
(a) Inventories	12	1,15,569	74,325
(b) Financial assets			
i. Investments	9	13,502	9,525
ii. Trade receivables	13	1,35,635	1,08,906
iii. Cash and cash equivalents	14	17,646	6,384
iv. Bank balances other than cash and cash equivalents	15	588	504
v. Loans	16	44	250
vi. Other financial assets	10	15,615	1,204
(c) Other current assets	11	15,917	17,808
(d) Current tax assets	17	184	202
		3,14,700	**2,19,108**
TOTAL ASSETS		**4,27,717**	**2,84,566**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	1,187	1,171
(b) Other equity	19	98,491	72,559
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**99,678**	**73,730**
Non-controlling Interest	19	55	-
TOTAL EQUITY		**99,733**	**73,730**
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities:			
i. Borrowings	20	29,732	7,996
ii. Lease liabilites	21	19,732	12,957
(b) Provisions	22	1,428	875
(c) Deferred tax liabilities (net)	23	2,012	1,838
(d) Other non current liabilities	24	1,491	93
		54,395	**23,759**
Current Liabilities			
(a) Financial liabilities:			
i. Borrowings	25	16,067	7,613
ii. Lease liabilites	21	1,159	887
iii. Trade payables	26		
- Total outstanding dues of micro and small enterprises		5,927	5,686
- Total outstanding dues to creditors other than micro and small enterprises		2,25,447	1,65,281
iv. Other financial liabilities	27	17,915	3,461
(b) Other current liabilities	24	5,492	3,578
(c) Provisions	22	729	563
(d) Current tax liabilities	28	853	8
		2,73,589	**1,87,077**
TOTAL LIABILITIES		**3,27,984**	**2,10,836**
TOTAL EQUITY AND LIABILITIES		**4,27,717**	**2,84,566**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30 May, 2022

For and on behalf of the Board of Directors

Sunil Vachani
Chairman

Atul B. Lall
Vice Chairman and Managing Director

Saurabh Gupta
Chief Financial officer

Ashish Kumar
Company Secretary

Place: Noida
Date: 30 May, 2022

Consolidated Statement of Profit and Loss

for the year ended 31 March, 2022

(₹ in Lakhs)

	Particulars	Note No.	Year ended 31 March, 2022	Year ended 31 March, 2021
	INCOME			
1	Revenue from operations	29	10,69,708	6,44,817
2	Other income	30	381	158
3	**Total income (1+2)**		**10,70,089**	**6,44,975**
4	**EXPENSES**			
	(a) Cost of materials consumed	31	9,88,966	5,75,341
	(b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	(11,042)	1,631
	(c) Employee benefits expense	33	19,779	13,707
	(d) Finance costs	34	4,420	2,744
	(e) Depreciation and amortisation expense	35	8,395	4,372
	(f) Other expenses	36	34,094	25,479
	Total expenses (4)		**10,44,612**	**6,23,274**
5	Profit before share of profit/(loss) of Joint Venture, exceptional items and tax (3-4)		25,477	21,701
6	Share of loss of Joint Venture		6	-
7	Profit before exceptional items and tax (5-6)		**25,471**	**21,701**
8	Exceptional items		-	-
9	**Profit before tax (7-8)**		**25,471**	**21,701**
10	Tax expense:	37		
	(a) Current tax		6,358	5,464
	(b) Deferred tax		46	402
	(c) Minimum alternative tax credit entitlement		-	(39)
	(d) Income tax related to earlier years		34	(106)
	Tax expense		**6,438**	**5,721**
11	**Profit for the year (9-10)**		**19,033**	**15,980**
12	**Other Comprehensive Income ('OCI')**			
	(a) Items that will not be reclassified to profit or loss - re-measurement of defined benefit liabilities		55	(7)
	(b) Income tax relating to items that will not be reclassified to profit or loss		4	2
	Other Comprehensive Income for the Year		**59**	**(5)**
13	**Total Comprehensive Income for the year (11+12)**		**19,092**	**15,975**
14	**Profit for the year attributable to**			
	(a) Owners of the Company		19,017	15,980
	(b) Non-controlling interests		16	-
			19,033	**15,980**
	Other comprehensive income attributable to			
	(a) Owners of the Company		24	(5)
	(b) Non-controlling interests		35	-
			59	**(5)**
	Total comprehensive income attributable to			
	(a) Owners of the Company		19,041	15,975
	(b) Non-controlling interests		51	-
			19,092	**15,975**
14	Earnings per share	42		
	(Nominal value of share ₹ 2)			
	(a) Basic		32.31	27.49
	(b) Diluted		32.00	26.87

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30 May, 2022

For and on behalf of the Board of Directors

Sunil Vachani
Chairman

Atul B. Lall
Vice Chairman and Managing Director

Saurabh Gupta
Chief Financial officer

Ashish Kumar
Company Secretary

Place: Noida
Date: 30 May, 2022

Consolidated Statement of Cash Flows

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Cash flow from operating activities		
Profit before tax	25,471	21,701
Adjustments for :		
Depreciation and amortisation expense	8,395	4,372
Finance costs	4,420	2,744
(Gain) /Loss on Exchange fluctuation on borrowings	(73)	58
Provision for impairment of property, plant and equipment	-	205
Interest income	(66)	(45)
Provision for doubtful debts / loans and advances written back	(115)	(4)
(Profit)/Loss on sale of property, plant and equipment	5	33
Excess liabilities, credit balances, provisions etc. written back	(3)	-
Provision for doubtful debts / loans and advances	25	19
Rent income waiver	-	(57)
Share based payment of employees	1,072	938
Bad debts write off	10	3
Fair value gain on mutual funds	(58)	(39)
	39,083	**29,928**
Changes in working capital		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(41,880)	(24,540)
Trade receivables		
- non current	-	1
- current	(26,648)	(57,395)
Other financial assets		
- non current	(1,903)	(322)
- current	(14,411)	1,921
Other assets		
- current	1,866	(7,827)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables		
- non current	-	-
- current	60,953	77,052
Provisions		
- non current	553	225
- current	615	124
Other liabilities		
- non current	1,398	(7)
- current	1,949	3,039
Other financial liabilities	11,099	300
Cash generated from operating activities	**32,672**	**22,499**
Income tax paid (net)	(5,398)	(5,488)
Net cash generated from/(used in) operating activities	**27,274**	**17,011**

Consolidated Statement of Cash Flows

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment and intangible assets	(42,064)	(16,817)
Sale proceeds of property, plant and equipment	325	22
Purchase of investments	(4,516)	(9,525)
Loan given	(44)	(250)
Repayment of loan given	250	-
Income from mutual funds	58	39
(Increase) / decrease in bank balance not classified as cash and cash equivalent	(521)	(54)
Interest income received	66	45
Net cash generated from/(used in) investing activities	**(46,446)**	**(26,540)**
C. Cash flow from financing activities		
Interest paid	(5,665)	(3,223)
Proceeds from issue of share	6,420	2,686
Proceeds from non-curent borrowings	22,539	7,082
Repayment of non-curent borrowings	(802)	(93)
Proceeds from current borrowings (net)	8,526	(105)
Dividend paid	(586)	-
Net cash generated from/(used in) financing activities	**30,432**	**6,347**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**11,260**	**(3,182)**
Cash and cash equivalents at the beginning of the year	6,384	9,566
Cash and cash equivalents at the end of year (refer note 14)	**17,646**	**6,384**

Notes:

1) The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 on statements of cash flow.
2) Figures in brackets indicate cash outflow.
3) Figures for the previous year have been regrouped wherever considered necessary.
4) Current taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30 May, 2022

For and on behalf of the Board of Directors

Sunil Vachani
Chairman

Atul B. Lall
Vice Chairman and Managing Director

Saurabh Gupta
Chief Financial officer

Ashish Kumar
Company Secretary

Place: Noida
Date: 30 May, 2022

Consolidated Statement of Changes in Equity

for the year ended 31 March, 2022

a. Equity share capital

(₹ in Lakhs)

Particular	Amount
Balance as at 31st March 2020	**1,157**
Add: Shares issued under employee stock option scheme (see note 45)	14
Balance as at 31st March 2021	**1,171**
Add: Shares issued under employee stock option scheme (see note 45)	16
Balance as at 31st March 2022	**1,187**

b. Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus					Other Comprehensive Income	Total
	General Reserve	Securities Premium	Capital Redemption Reserve	Share Option Outstanding	Retained Earnings	Remeasurement of Defined Benefit Plans	
Balance as at 31 March, 2020	1,109	14,149	33	427	37,365	(109)	52,974
Profit for the year	-	-	-	-	15,980	-	15,980
Share options expenses for the year	-	-	-	938	-	-	938
Transfer for share option exercised during the year	493	-	-	(493)	-	-	-
Premium on issue of share under employss stock option scheme	-	2,672	-	-	-	-	2,672
Remeasurement Gain/(Loss) on defined benefit plans	-	-	-	-	-	(5)	(5)
Balance as at 31 March, 2021	1,602	16,821	33	872	53,345	(114)	72,559
Profit for the year	-	-	-	-	19,017	-	19,017
Dividend paid	-	-	-	-	(586)	-	(586)
Share options expenses for the year	-	-	-	1,072	-	-	1,072
Transfer for share option exercised during the year	849	-	-	(849)	-	-	-
Premium on issue of share under employees stock option scheme	-	6,405	-	-	-	-	6,405
Remeasurement Gain/(Loss) on defined benefit plans	-	-	-	-	-	24	24
Transfer to retained earnings	-	-	-	-	9	(9)	-
Balance as at 31 March, 2022	2,451	23,226	33	1,095	71,785	(99)	98,491

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30 May, 2022

For and on behalf of the Board of Directors

Sunil Vachani
Chairman

Atul B. Lall
Vice Chairman and Managing Director

Saurabh Gupta
Chief Financial officer

Ashish Kumar
Company Secretary

Place: Noida
Date: 30 May, 2022

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

1 CORPORATE INFORMATION

The Dixon Technologies (India) Limited ('the Company' or 'the Holding Company') is a Public Limited Company incorporated in India having its registered office located at B-14 & 15, Phase-II, Noida, Gautam Buddha Nagar, Uttar Pradesh, India-201305. The Company's CIN - L32101UP1993PLC066581. It was incorporated as per the provisions of the Companies Act as Dixon Utilities and Exports Private Limited in the year 1993. The Company is listed on BSE Limited and National Stock Exchange of India Limited.

The Group transformed from being a manufacturer of electronic goods to leading multi-product corporation with widespread activities. The Company is primarily engaged in the manufacturing of electronics as its core business activity. It has three wholly owned Subsidiary Companies namely "Dixon Global Private Limited" , "Dixon Electro Appliances Private Limited", 'Dixon Electro Manufacturing Private Limited', 'Dixon Technologies Solutions Private Limited" and "Padget Electronics Private Limited and two Joint Venture company namely "AIL Dixon Technologies Private Limited" and "Rexxam Dixon Electronics Private Limited" *(Formerly known as Dixon Devices Private Limited) . The Parent Company, its subsidiaries and Joint Venture company together referred as "the Group". (See note 49)

2 BASIS OF ACCOUNTING

2.1 Statement of Compliance

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

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

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

2.2 Basis of preparation of consolidated financial statements

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

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

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

2.3 Basis of consolidation

Subsidiary

Subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. Profit/(loss) and Other Comprehensive Income ('OCI') of subsidiary acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. Consolidated subsidiary have a consistent reporting date. The Group consolidates the financial statements of the parent and its subsidiary on line by line basis adding together the items of assets, liabilities, equity, income and expenses. InterGroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary are in consistency with the policies adopted by the Group.

The Parent company have 100% control over its subsidiaries so there is no Non controlling Interest.

Joint Venture

Investment in Joint Ventures has been accounted under the Equity Method as per Ind AS 28 – Investments in Associates and Joint Ventures. Investments in joint operations are

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

accounted using the Proportionate Consolidation Method as per Ind AS 111 – Joint Arrangements

For the information of consolidated entities refer note 53.

2.4 Current vs. Non-current classification

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

An asset is classified as current when it is:

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

All the other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current

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

2.5 Functional and Presentation Currency

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

2.6 Use of Estimates and Judgements

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

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

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

The areas involving critical estimates or judgments are:

Impairment of investments in subsidiaries

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful lives of property, plant and equipment

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

Valuation of deferred tax assets

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been explained under note 2.18.

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 2.23, 2.27.

2.7 Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost comprise all costs of purchase, costs of conversion and other costs incurred in bringing the

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

inventories to their present location and condition and is determined on first in first out ('FIFO') basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

2.8 Cash and Cash Equivalents

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

2.9 Property, Plant and Equipment

Recognition and Measurement:

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

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

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

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

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

Reclassification to Investment Property

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

Capital Work in Progress

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

Subsequent expenditure and componentisation

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

Depreciation and Amortization

Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.

In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components. The Group uses the useful life of assets as per Schedule II of the Companies Act, however in certain components of property, plant and equipment the life has been provided based on the useful life as follows:

Nature	Life in years
Plant and machinery	2-15 years
Tools and dies	15 years
Fan, coolers, air conditioners etc.	5 years
Computers	3 to 6 years

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of office equipment and computer over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.

Depreciation method, useful lives and residual values are reviewed at each Financial year-end and adjusted if appropriate.

Disposal of Assets

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

Reclassification to Investment Property

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

2.10 Investment properties

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

2.11 Intangible Assets

Recognition and Measurement

The intangible assets comprises software which is not an integral part of related hardware, is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

Amortization

- Intangible assets is amortised on straight line method over a period of three to six years.
- The amortization period and the amortization method are reviewed at least at the end of each Financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

2.12 Impairment of Non-Financial Assets

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

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

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

2.13 Non-current assets or disposal held for sale

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

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

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

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

2.14 Government Grants

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

2.15 Revenue Recognition

The Group engaged in the manufacturing washing machine, Moulding and Other Electronics etc.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Description of performance obligations are as follows:

Sale of Goods

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

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

Interest Income

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

Dividend Income

Dividend Income from investments is recognized when the Group's right to receive payment has been established.

Other Operating Revenue

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

Insurance claims

Insurance claims are accounted for on acceptance or to the extent amount have been received.

2.16 Leases

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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

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

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

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

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

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

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

Short-term leases and leases of low-value assets

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

Arrangements in the nature of lease

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

2.17 Foreign Currency Transactions

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

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

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

2.18 Income Tax

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

Current Tax

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

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

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

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

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

Deferred Tax

Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

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

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

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

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

2.19 Borrowing Cost

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

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

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

2.20 Provisions, Contingent Liabilities and Contingent Assets

Provisions

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

Warranties

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

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

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

Contingent Liabilities

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

Contingent Assets

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

2.21 Employee Benefits

Short Term Benefits

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

Other Long Term Employee Benefits

Leave, as the leave accrued, if any, lapses at the end of the year and hence, no liability in respect of accrued leave arises.

Post Employment Benefits

The Group operates the following post employment schemes:

- **Defined Benefit Plans**

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

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

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

Defined Contribution Plan

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

Termination Benefit

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

2.22 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

2.23 Financial Instruments

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

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

Financial assets

- **Recognition and initial measurement:**

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

- **Classification and subsequent measurement:**

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

  o Measured at Amortized Cost;

  o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);

  o Measured at Fair Value Through Profit or Loss (FVTPL); and

  o Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

  Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing Financial assets.

- **Measured at amortized cost:**

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

  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the Financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

- **Measured at FVTOCI:**

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

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

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

- **Measured at FVTPL:**

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

- **Equity Instruments measured at FVTOCI:**

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

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

All other Financial instruments are classified as measured at FVTPL.

Derecognition

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

- **Impairment of Financial Assets**

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities:

- **Recognition and Initial Measurement:**

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

- **Subsequent Measurement:**

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

- **Financial Guarantee Contracts**

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

- **Derecognition**

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

Offsetting Financial instruments

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

Derivative Financial instruments:

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

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

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

Share capital

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

Offsetting financial instrument

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

2.24 Operating Segment

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

2.25 Earnings Per Share

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

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

2.26 Exceptional Items

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

2.27 Measurement of Fair Values

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

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

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

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-Financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

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

2.28 Research and development expenditure

Research and development expenditure that do not meet the criteria for the recognition of intangible assets are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

3 Recent accounting pronouncements

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

Ind AS 103 – Reference to Conceptual Framework

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

Ind AS 16 – Proceeds before intended use

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

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

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

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

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

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

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

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

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

a. Recognition of Deferred Tax Assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

b. Useful lives of depreciable/ amortizable assets (tangible and intangible): Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on theexpected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

c. Classification of Leases: The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

d. Defined Benefit Obligation (DBO): Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

e. Provisions and Contingencies: The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

f. Impairment of Financial Assets: The Group reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

g. Allowances for Doubtful Debts: The Group makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

h. Fair value measurement of Financial Instruments: When the fair values of Financial assets and Financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

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

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

5 Property, plant and equipment

(₹ in Lakhs)

	Land (See Note 'i' below)	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
At cost or deemed cost								
Balance as at 31 March, 2020	1,194	8,767	24,541	2,093	821	983	787	39,186
Additions	-	532	11,137	468	241	303	517	13,198
Disposals	-	3	192	1	109	3	92	400
Balance as at 31 March, 2021	**1,194**	**9,296**	**35,486**	**2,560**	**953**	**1,283**	**1,212**	**51,984**
Additions	5,443	3,186	31,572	894	239	647	1,042	43,023
Disposals	-	4	1,334	8	93	6	7	1,452
Balance as at 31 March, 2022	**6,637**	**12,478**	**65,724**	**3,446**	**1,099**	**1,924**	**2,247**	**93,555**
Accumulated depreciation and impairment								
i. Accumulated depreciation								
Balance as at 31 March, 2020	**32**	**732**	**5,270**	**504**	**279**	**427**	**503**	**7,747**
Charge for the Year	8	345	2,343	207	107	172	177	3,359
Disposals	-	-	41	-	90	1	86	218
Balance as at 31 March, 2021	**40**	**1,077**	**7,572**	**711**	**296**	**598**	**594**	**10,888**
Charge for the Year	8	411	5,058	305	123	350	414	6,669
Disposals	-	4	248	4	82	3	2	343
Balance as at 31 March, 2022	**48**	**1,484**	**12,382**	**1,012**	**337**	**945**	**1,006**	**17,214**
ii. Impairment Losses								
Balance as at 31 March, 2020	**-**	**-**	**303**	**-**	**-**	**-**	**-**	**303**
Additions	-	-	205	-	-	-	-	205
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March, 2021	**-**	**-**	**508**	**-**	**-**	**-**	**-**	**508**
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March, 2022	**-**	**-**	**508**	**-**	**-**	**-**	**-**	**508**
Net carrying amount								
As at 31 March, 2021	**1,154**	**8,219**	**27,406**	**1,849**	**657**	**685**	**618**	**40,588**
As at 31 March, 2022	**6,589**	**10,994**	**52,834**	**2,434**	**762**	**979**	**1,241**	**75,833**

Notes:

i. Free hold land includes land purchased in auction held by a Nationalised bank in the year 2016-17 marked as Plot no C 2/1,selaqui, Dehradun, Uttarakhand and registered in the name of the Holding Company. During the said year and thereafter, a party has instituted legal case disputing our ownership of the said land at various courts/ tribunals, including Hon'ble Debt Recovery Tribunal at Lucknow and Dehradun ('DRT') and Hon'ble Debt Recovery Appellate Tribunal, Allahabad ('DRAT') and Hon'ble Nainital High Court. The matters contested at DRT and DRAT has been decided in the favour of the Holding Company. Further, the Holding Company, being bonafide purchaser of the said land under the auction carried out by the Bank as per SARFAESI Act, 2002 is successfully defending the matters at Hon'ble Nainital High Court. As on date, the matter is sub-judice. The cost of land is ₹ 250 Lakhs and capital assets created thereon as on 31 March, 2022 is ₹ 1,695 Lakhs.

ii. Information of the assets pledge as security, refer note 20, 25 and 39.

iii. There are no proceedings against group of Dixon Technologies (India) Limited, being the Holding Company, subsidiaries and jointly controlled entities registered under "the Act", that have been initiated or pending against them for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

6 Capital Work in progress

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening balance	7,239	**955**
Additions during the year	22,271	6,945
Capitalised during the year	27,309	661
Closing Balance	**2,201**	**7,239**

Notes:

a) Ageing of Capital Work in progress

As at 31 March, 2022

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Projects in progress	1,852	349	-	-	2,201

As at 31 March, 2021

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Projects in progress	6,948	291	-	-	7,239

b) The project in process comprises project of FATL, LED TV, LED Lighting, Mobile - PCB and others

c) There is no capital-work-progress , whose completion is overdue or has exceeded its cost compared to its orignal plan.

d) See note 38 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

7-A Intangible assets

(₹ in Lakhs)

Particulars	Computer Software
At cost or deemed cost	
Balance as at 01 April, 2020	638
Additions	70
Disposals	-
Balance as at 31 March, 2021	**708**
Additions	1,597
Disposals	-
Balance as at 31 March, 2022	**2,305**
Accumulated amortisation	
Balance as at 01 April, 2020	**201**
Charge for the year	107
Disposals	-
Balance as at 31 March, 2021	**308**
Charge for the Year	122
Disposals	-
Balance as at 31 March, 2022	**430**
Net carrying amount	
At 31 March, 2021	**400**
At 31 March, 2022	**1,875**

7-B Intangible assets under Development

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening balance	-	-
Additions	38	-
Capitalised during the year	-	-
Closing Balance	**38**	**-**

Notes:

Ageing of Intangible assets under Development

As at 31 March, 2022

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Assets under development	38	-	-	-	38

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

As at 31 March, 2021

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-

8 Right -of-use asset

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Amounts recognised in balance sheet		
The balance sheet shows the following amounts relating to leases:		
Right of use assets		
Land and buildings	19,590	13,218
	19,590	**13,218**

a. Right-of-use assets

i. Carrying value of right of use assets

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	13,218	9,017
Additions during the year	8,020	5,150
	21,238	**14,167**
Depreciation during the year	1,604	906
Derecognised during the year	44	43
Closing balance	**19,590**	**13,218**

Note: see note no. 41 for other information

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

9 Investments

A. Non-current investments

(₹ in Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Units	Amount	Units	Amount
i. Investment in equity instrument				
(Unquoted, at cost)				
a. In jointly controlled/ joint ventures company				
Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited)	60,00,000	594	-	-
Equity shares of ₹ 10 Each				
		594		**-**
Aggregate carrying value of unquoted investments		**594**		-
Aggregate amount of impairment in the value of investments		**-**		**-**

Notes:

I. Information of jointly controlled/ joint ventures company

(₹ in Lakhs)

Name of entity	Principal activity	Place of incorporation	Principal place of business	Proportion of ownership interest/ voting rights held by the group	
				As at 31 March, 2022	As at 31 March, 2021
Jointly controlled/ joint ventures company					
ii. Rexxam Dixon Electronics Private Limited*(Formerly known as Dixon Devices Private Limited)	Manufacturing	Noida, India	Noida, India	40%	-

*During the year, 'Rexxam Dixon Electronics Private Limited' (Formerly known as Dixon Devices Private Limited) have been incorporated, as wholly owned subsidiaries of the Holding Company and subsequently company has entered into a Joint venture agreement with Rexxam Co., Ltd. according to which shareholding of the Holding Company has been diluted to 40%.

II. Operation details of jointly control Company

i. Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited)

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Income	-	-
Expenses	**6**	**-**

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Assets	612	-
Liabilities	18	-
Contingent liabilities	-	-
Commitments (net of advance)	**-**	**-**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

a) The information disclosed are based on unaudited financial statements of Rexxam Dixon Electronics Private Limited (formerly known as Dixon Devices Private Limited).

b) The information is disclosed to the extent of the share of the Group.

B. Current investments

(₹ in Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Nos.	Amount	Nos.	Amount
i. Investment in Mutual fund				
(Unquoted, carried at fair value through profit and loss)				
- SBI Overnight Fund-Regular Growth	1,02,198	3,501	1,66,138	5,515
- Axis Overnight Fund-Regular Growth	1,78,291	2,000	2,77,015	3,010
- DSP Overnight Fund-Regular Growth	88,089	1,000	-	-
- HDFC Overnight Fund	1,11,625	3,501	-	-
- UTI Overnight Fund-Regular Plan Growth	34,682	1,000	-	-
- Kotak Overnight Fund Growth (Regular Plan)	88,434	1,000	-	-
- ICICI Prudential Overnight Fund Growth	13,13,630	1,500	9,03,698	1,000
	19,16,949	**13,502**	**13,46,851**	**9,525**

Disclosure for Measurment of Investments

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Investment carried at amortised cost	-	-
Investment carried at fair value through FVTPL	13,502	9,525
Investment carried at fair value through OCI	-	-
Aggregate carrying value of unquoted investments	**13,502**	**9,525**

10 Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
I. Non-current		
a. Amount paid under protest to government authorities	1,031	229
b. Security deposits	2,091	1,005
c. Bank deposits with more than 12 months maturity	437	-
	3,559	**1,234**
II. Current		
a. Security deposits	7	58
b. Advances to employees	100	422
c. Amount receivables from government authorities	15,403	697
(Incentive receivables and refund recoverable)		
d. Other receivables	105	27
	15,615	**1,204**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

11 Other assets

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
I. Non-current		
a. Capital advances	6,296	1,962
b. Other advances considered doubtful	70	70
Less : Provision for doubtful advances	(70)	(70)
	-	-
	6,296	**1,962**
II. Current		
a. Balance with Government Authorities (see note below)	12,361	12,765
b. Advances to suppliers	2,800	4,595
c. Prepaid expenses	756	448
	15,917	**17,808**

Note:

Balance with government authorities includes goods and service tax, custom duty etc.

12 Inventories

(Lower of cost and net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Raw materials and packing materials etc.		
- in stock	83,224	46,547
- in transit	7,506	13,981
b. Work-in-progress	14,996	10,256
c. Finished goods	9,843	3,541
	1,15,569	**74,325**

13 Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Trade receivables from related parties (see note 49)	-	-
b. Trade receivables-others	1,35,689	1,09,051
	1,35,689	1,09,051
Less: Provision for credit impaired trade receivables	54	145
	1,35,635	**1,08,906**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Secured, considered good	-	-
Unsecured, considered good	1,35,635	1,08,906
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	54	145
	1,35,689	**1,09,051**
Impairment Allowance (allowance for bad and doubtful debts)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired (refer note 44)	54	145
	54	145
Total trade receivables	**1,35,635**	**1,08,906**

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

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 Month	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade Receivables– considered good	99,142	36,396	97	-	-	-	1,35,635
Undisputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables– credit impaired	-	-	27	3	7	17	54
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	99,142	**36,396**	**124**	**3**	**7**	**17**	**1,35,689**

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

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 Month	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade Receivables– considered good	95,994	12,746	150	-	15	1	1,08,906
Undisputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables– credit impaired	-	-	16	49	8	-	73
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	72	72
	95,994	**12,746**	**166**	**49**	**23**	**73**	**1,09,051**

Notes:

i. The average credit period on sale of goods is 30 days to 60 days. No interest is charged on overdue trade receivables.

ii. The trade receivables ageing have been disclosed on due basis.

iii. There is no unbilled trade receivables at the year end.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

14 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Balances with banks - in current accounts		
- in current accounts	17,595	6,323
- in escrow accounts	29	17
b. Cash on hand	22	44
	17,646	**6,384**

15 Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Margin money deposits (see note below)	588	504
b. Balance in earmarked account -Unpaid dividend accounts	-	-
	588	**504**

Note:

Margin Money deposit balances are more than 3 month but less than 12 months. Margin money is held against letter of credit,bank guarantee and submitted with various taxation departments.

16 Loans

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current		
Unsecured, considered good		
a. Loan		
- to others	-	250
- to joint ventures (see note 50)	44	
	44	**250**

Notes

i. Disclosures of inter corporate loans as required by section 186(4) of the Companies Act, 2013 are as follows :

(₹ in Lakhs)

Particulars	Rate of Interest	Due Date	Secured/ Unsecured	As at 31 March, 2022	As at 31 March, 2021
AIL Dixon Technologies Private Limited	6.65%	Repayable on demand	Unsecured	-	250
Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited)	6.65%	Repayable on demand	Unsecured	44	-
				44	**250**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

ii. Disclosure of loans and advances in the nature of loans given to subsidiaries, associates and other companies in which directors are interested as required by Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A. Short term loans (repayable on demand):		
i. Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited)	44	-
(Maximum amount outstanding during the year ₹ 44 lakhs		
	44	**-**

17 Current tax assets

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Advance income tax (net)	184	202
	184	**202**

18 Equity share capital

(₹ in Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	No of shares	Amount	No of shares	Amount
Authorised				
Equity shares of ₹ 2 each (Previous year ₹ 10 each)	13,00,00,000	2,600	13,00,00,000	2,600
Issued, subscribed and paid-up				
Equity shares of ₹ 2 each fully paid up (Previous year ₹ 10 each)	5,93,41,935	1,187	5,85,69,355	1,171
	5,93,41,935	**1,187**	**5,85,69,355**	**1,171**
a. Reconciliation of equity shares				
Balance as at the beginning of the year	5,85,69,355	1,171	1,15,70,141	1,157
Equity shares arising on shares split from ₹ 10 to ₹ 2 per share (Refer note below)	-	-	4,62,80,564	-
Share issued under employees stock option scheme	7,72,580	16	7,18,650	14
Balance as at the end of the year	**5,93,41,935**	**1,187**	**5,85,69,355**	**1,171**

Note:

Pursuant to the approval of the shareholders accorded on 7 March, 2021 vide postal ballot conducted by the Holding Company, each equity share of face value of ₹ 10 per share was sub-divided into five equity shares of face value of ₹ 2 per share, with effect from 19 March, 2021.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

b. Terms and rights of equity shareholders

The Holding Company has only one class of equity shares having par value of ₹ 2 per share (Previous year ₹ 10 per share). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each share holders. There is no restriction on distribution of dividend, however, the same is subject to the approval of the share holders in the annual general meeting except in the case of interim dividend.

c. Details of shares held by share holders holding more than 5% of the aggregate shares in the Holding Company.

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Mr. Sunil Vachani		
No's of shares	1,57,49,644	1,98,09,520
% holding	26.54%	33.82%
Mrs. Kamla Vachani		
No's of shares	44,31,222	44,93,965
% holding	7.47%	7.67%
Mrs. Gayatri Vachani		
No's of shares	39,37,577	-
% holding	6.64%	-

d Details of share held by Promoters*

(₹ in Lakhs)

Promotor Name	As at 31 March, 2022		As at 31 March, 2021		% change during the period
	No of shares	Amount	No of shares	Amount	
Mr. Sunil Vachani					
No's of shares	1,57,49,644	315	1,98,09,520	396	
% holding	0.27	26.54%	33.82%	33.82%	-7.28%
Promotor's Group					
Mrs. Gayatri Vachani	39,37,577	79	-	-	
No's of shares	6.64%	6.64%	0.00%	0.00%	6.64%
% holding					
Mrs. Geeta Vaswani	-	-	7,00,940	14	
No's of shares	0.00%	0.00%	1.20%	1.20%	-1.20%
% holding					
Mr. Suresh Vaswani	6,58,777	13	-	-	
No's of shares	1.11%	1.11%	0.00%	0.00%	1.11%
% holding					
Mr. Kamal Vachani	3,502	0	2,277	0	
No's of shares #	0.01%	0.01%	0.00%	0.00%	0.00%
% holding					
Mr. Ravi Vachani	7,269	0	7,500	0	
No's of shares ##	0.01%	0.01%	0.01%	0.01%	0.00%
% holding					

* As defind under the Companies Act, 2013, but doesnot include person consider as Promoter group as per Regulations 2 (1) (zb) of SEBI ICDR Regulations.

share held of ₹ 0.07 lakh (previous year ₹ 0.04 lakh)

share held of ₹ 0.15 lakh (previous year ₹ 0.15 lakh)

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

e. Summary of dividend and proposed dividend

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Cash dividends on equity shares declared and paid		
Final dividend for the year ended on 31 March 2021: ₹ 1 per share	586	-
	586	**-**
Proposed dividends on Equity shares		
Final dividend for the year ended on 31 March 2022: ₹ 2 per share (previous year ₹ 1 per share)	1,187	586
	1,187.00	**586**

The Board of Directors have recommended a final dividend of 100 % (INR 2 per Equity Share of ₹ 2 each) for the financial year 2021-2022 subject to the approval of the shareholders in the ensuing Annual General Meeting of the Holding Company.

e. Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the reporting date

The Holding Company has allotted 6,277,337 fully paid up shares of face value ₹ 10 each during the year ended 31 March 2017, pursuant to bonus issue approved by share holders in the Extra Ordinary general meeting held on 20th September, 2016 and Company has allotted 4 bonus shares for every 3 shares held.

f. Shares held by Holding or ultimate Holding company

The company doesn't have any Holding or ultimate Holding company.

g. Initial Public Offer

The Holding Company had made an Initial Public Offer (IPO) during the year ended 31st March 2018, for 33,93,425 equity shares of ₹ 10 each, comprising of 3,39,750 fresh issue of equity shares by the Company and 30,53,675 equity shares offered for sale by share holders. The equity shares were issued at a price of ₹ 1,766 per share (including premium of ₹ 1,756 per share). Out of the total proceeds from the IPO of ₹ 59,928 Lakhs, the Company's share was ₹ 6000 Lakhs from the fresh issue of 339,750 equity shares. Fresh equity shares were allotted by the Company on 14th September 2017 and the shares of the Company were listed on the stock exchanges on 18th September 2017.

h. Shares reserved for issue under option

For details of shares reserved for issue and shares issued under the Employee Stock Option Plan (ESOP) of the Company, refer note 45. These options are granted to the employees subject to cancellation under circumstance of his cessation of employment with the group on or before the vesting date.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

19 A Other equity

(₹ in Lakhs)

Particulars		As at 31 March, 2022	As at 31 March, 2021
a.	General reserve	2,451	1,602
b.	Securities premium	23,226	16,821
c.	Capital redemption reserve	33	33
d.	Other comprehensive income	(99)	(114)
e.	Share option outstanding account	1,095	872
f.	Retained earnings	71,785	53,345
		98,491	**72,559**
a.	**General reserve**		
	Opening balance	1,602	1,109
	Transfer for share option exercised during the year	849	493
	Closing balance	**2,451**	**1,602**
b.	**Securities premium**		
	Opening balance	16,821	14,149
	Add: Premium on issue of share under employees stock option scheme (see note 45)	6,405	2,672
	Closing balance	**23,226**	**16,821**
c.	**Capital redemption reserve**		
	Opening balance	33	33
	Closing balance	**33**	**33**
d.	**Other comprehensive income-**		
	Remeasurement of defined benefit plans		
	Opening balance	(114)	(109)
	Transfer to Retained Earnings	(9)	-
	Movement during the year	24	(5)
	Closing balance	**(99)**	**(114)**
e.	**Share option outstanding**		
	Opening balance	872	427
	Add : Granted/ vested during the year	1,072	938
	Less : Exercised during the year (Refer note 45)	849	493
	Closing balance	**1,095**	**872**
f.	**Retained earnings**		
	Opening balance	53,345	37,365
	Add : Profit for the year	19,017	15,980
	Add : Transfer from Other Comprehensive Income	9	-
	Less: Appropriation		
	Final dividend on equity shares	586	-
	Closing balance	**71,785**	**53,345**

Notes:

a. General reserve:

The Group had transferred a part of the net profit of the Group to general reserve in earlier years. It also includes amount transferred to general reserve for share option exercised during the year and earlier years.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

b. Share premium:

The amount received in excess of the face value of the equity shares issued by the Group is recognised in securities premium.

c. Capital Redemption reserve:

The reserve has been created by buy back of equity shares and fully convertible cumulative participatory preference shares

d. Other comprehensive income:

Other comprehensive income comprises the balance of remeasurement of retirement benefit plans.

e. Share option outstanding:

The above reserve relates to share options granted by the Group to its employees under its employee share option plan.

f. Retained earnings:

Retained earnings are profits of the Group earned till date less transferred to other reserves and dividend paid during the year.

19 B. Non-controlling Interest

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Controlling Interest		
Non-Controlling Interest	55	-
	55	**-**

20 Borrowings

(at amortised cost)

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
i. From banks (Secured)		
a. Term Loan		
- HDFC Bank Limited (see note 'b' and 'c" below)	21,622	4,400
-Qatar National Bank (see note 'a' below)	5,004	3,650
-HSBC Bank Limited (see note g)	5,079	-
- Vehicle Loans (see note 'd below)	48	121
	31,753	**8,171**
ii. From others		
(Secured)		
- Tata Capital Housing Finance Limited (see note 'e' below)	137	153
- Bajaj Finance Limited (see note 'i' below)	-	144
- Vehicle Loans (see note 'd below)	2	7
	139	**304**
iii. Deferred payment liabilities		
(Secured)		
- Noida Authority of India (see note 'f' below)	1,873	-
	1,873	**-**
Total	**33,765**	**8,475**
Less: Current maturities of long term borrowings (refer note 25)	4,033	479
	29,732	**7,996**

Notes:

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

I a. Term loan of ₹ 5,004 lakhs (previous year 3,650 lakhs) from Qatar bank is repayable in 8 half yearly instalments including two year moratorium, 40% in 4 equal half yearly instalments from 31 July, 2022 and remaining 60% in rest 4 equal half yearly instalments . Rate of interest on loan is linked to one year MCLR +1.10%of bank and interest is to be paid on monthly basis. The loan is secured against exclusive charge on land, building and machinery situted at plot no 30 & 31 EMC 2 Tirupati , Chittoor (Andhra Pradesh), current assets and including cash flows of the said project with security cover of 1.25 times and exclusive mortgage and hypothecation charge on current assets.

b. Term loan from HDFC Bank Limited

Particulars	₹/Lakh	Term loan-1	Term loan-2	Term loan-3	Term loan-4	Term loan-5
A. Outstanding balance current year	%	3,577	6,000	3,389	5,156	3,500
Outstanding balance previous year		2,000	-	-	2,400	-
B. Rate of Interest		6 month MCLR+.60%	Repo Rate +1.06% with quarterly reset	Repo Rate +1.06% with quarterly reset	Rate of Interest is 6 months MCLR plus 60 BPS.	Rate of Interest is Linked with 3 Month Repo.
C. Terms of repayment		Repayable in 5 years including one year of moratorium followed by 20%, 20%, 30%, and 30% repayment in 2nd, 3rd, 4th and 5th year respectively	Repayable in 6 years including one and half year of moratorium followed by 10%, 15%, 15%, 30% and 30% repayment in 2nd, 3rd, 4th,5th and 6th year respectively.	Repayable in 6 years including one and half year of moratorium followed by 10%, 15%, 15%, 30% and 30% repayment in 2nd, 3rd, 4th,5th and 6th year respectively.	Repayable in 16 equal quarterly installment starting from March'22 to March'26.	Repayable in 20 equal quarterly installment starting from March'23 to March'29
D Swap agreement (Rupee loan swapped with USD loan)	USD Loan	In two parts in USD amounting USD 25 lakh and USD 25 lakh wherein group will pay interest in USD at 2.05% p.a & 2.0% p.a respectively.	In three Parts in USD amounting USD 1.745 Mn, USD 48 lakh and USD 13 lakh wherein the Group will pay interest in USD at 1.24% p.a , 1.38% p.a and 1.39 % p.a respectively.	USD 44 lakh wherein group will pay interest in USD at 1.38% p.a	-	-
	Rupee loan	Rupee Loan of ₹ 1,900 Lakhs and ₹ 1,876 Lakhs wherein group will receive interest in rupee at 6.0% p.a.	Rupee Loan of ₹ 3,389 lakh wherein group will receive interest in rupee at 5.06% p.a.	Rupee Loan of ₹ 3,389 lakh wherein group will receive interest in rupee at 5.06% p.a.	-	-

c. Security details of term loan from HDFC Bank Limited are as follows:

Term loan-1

Secured against exclusive charge on movable fixed assets of the group located in 262M, Central Hope Town, Selakui, Dehradun and C-3/1, Selaqui Industrial Area Dehradun, first pari passu charge on all movable fixed assets of the group (except those exclusively charged with other banks), and exclusive charge on immovable property located at Plot No C-2/1, UPSIDC Industrial Area, Selaqui, Dehradun.

Term loan-2 and Term loan-3

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

The loan is secured against exclusive charge on movable fixed assets of the group located at Khasra No. 1050/2, 1050/6, 1050/7, 1050/8, 1050/9 situated at Mauza East Hope Town, Tehsil Vikas Nagar , Pargana- Pachwa Doon , District – Dehradun (Uttrakhand), first pari passu charge on all movable fixed assets of the group (except those exclusively charged with other banks).

Term loan-4

Primary security for the loan is Corporate Guarantee from holding company and exclusive charge on movable Property, Plant and Equipment of the group company.

Term loan-5

Primary security for the loan is Corporate Guarantee from holding company and exclusive charge on movable Property, Plant and Equipment of the group company.

d. Vehicle loans are secured by way of hypothecation of the related assets. These are repayable in maximum sixty equal monthly instalments, repayment period is from 2017 ending on 2022-2023, bearing interest rate varying from 8.70% p.a to 10.06% p.a.

e. Loan is secured by mortgage of the related asset and is repayable in 120 monthly instalments from August' 2017 to August' 2027 bearing interest rate of 9.15% p.a.

f. The group took on lease a land from NOIDA for a period of 90 years at Plot No.6, Sector 151, Noida admeasuring 21,000 sq mtr on 10th August, 21 for an allotment value of ₹ 2,917 lakh against which the group made an upfront payment of ₹ 875 lakh and the balance of ₹ 2,042 lakh was to be paid in 10 equal half yearly instalments starting December' 21 and last instalment to be paid in June' 26. Out of the balance amount ₹ 168 lakh was paid in December' 21 and the Interest is being levied at SBI MCLR Rate as decided. No assets have been pledged or mortgaged against the deferred payment allowed by the authority.

g. (a) External commercial borrowing of USD 67.00 Lakhs Foreign currency loan from HSBC Bank to be secured as first pari passu charge on movable Property, Plant and Equipment acquired through the proceeds of the Loan in favour of the security holder excluding vehicles (both Present & future), and to be secured as second charges on current assets (both Present and future), further secured by corporate guarantee from the Holding company. Rate of interest is Overnight SOFR+185 BPS.

Term of repayment: Total tenor of loan is 5 years including 2 years moratorium.Repayable in 12 quarterly installments starting from Jun'24 to Mar'27. Repayment amount will be 20%, 30% & 50% of total loan in the year 3rd, 4th & 5th respectively

(b) Charge is pending to be registered for such loan with ROC due to pending signing of Deed of Hypothication.

h. Term of repayment of long term borrowing outstanding as at 31 March, 2022

(₹ in Lakhs)

Particulars	No. of Installments	As at 31 March, 2022	No. of Installments	As at 31 March, 2021
Secured monthly repayment				
Less than 1 year	25	68	42	95
Due 1 to 5 years	48	95	61	139
More than 5 years	8	24	20	47
Secured quarterly repayment				
Less than 1 year	15	1,183	7	573
Due 1 to 5 years	123	21,918	42	3,972
More than 5 years	23	3,600	-	-
Secured half yearly repayment				
Less than 1 year	12	1,434	-	-
Due 1 to 5 years	37	5,443	32	3,650
More than 5 years	-	-	-	-
		33,765		8,476

i. One of the group entity has obtained credit facility-Term Loan 500 lakhs (Sanctioned amount) secured by first and exclusive hypothecation charge on all existing and future current assets and movable fixed assets of the entity and is repayable in 20

Notes to Consolidated Financial Statements
for the year ended 31 March, 2022

quarterly instalments from June 2020 to March 2025 bearing a floating interest rate 9.40% per annum as of March 31, 2021). The group has repaid outstanding term loan from Bajaj Finance Limited out of surplus funds during the year.

II a. The Group has not defaulted in the repayment of dues to its lenders and the Group does not have unsecured borrowings.

b. Borrowings from Banks and financial institution have been used for the specific purpose for which it was taken at the balance sheet date.

21 Lease liabilites

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A) Non Current		
a. Payable for lease obligation	19,732	12,957
	19,732	**12,957**
B) Current		
a. Payable for Lease Obligation	1,159	887
	1,159	**887**

Note:

For the other disclosure of leases refer note 41

22 Provisions

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A) Non Current		
a. Provision for employee benefit		
i. Provision for gratuity (see note 46)	1,322	815
ii. Provision for compensated absences	106	60
	1,428	**875**
B) Current		
a. Provision for employee benefits		
i. Provision for gratuity (see note 46)	162	108
ii. Provision for compensated absences	32	15
b. Provision for warranty (see note below)	535	440
	729	**563**
Note:		
Movement in provision for warranty		
Opening balance	441	372
Provision made during the year	721	793
Claim paid / adjustments during the year	627	725
Closing provision	**535**	**440**

Basis of warranty:

The Group gives eighteen months warranty on LED bulbs and twelve months warranties on television and washing machines. LED bulbs are replaced with new bulbs and in respect of televisions and washing machines defective part is changed.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

23 Deferred tax liabilities (net)

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A. Deferred tax liabilities (net)		
a. Deferred tax liability	2,403	2,299
b. Deferred tax assets	391	329
c. Minimum alternative tax credit entitlement	-	132
	2,012	**1,838**

For deferred tax movement and tax reconciliation refer note 37

24 Other liabilites

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A) Non Current		
a. Deferred Grant (see note 'i' below)	1,491	93
	1,491	**93**
B) Current		
a. Advances received from customers	1,269	463
b. Statutory dues payable	4,223	3,115
	5,492	**3,578**
Note:		
Movement in deferred grant during the year:		
Deferred Grant:		
Balance at the beginning of the year	93	100
Capital grant recognised during the year	1,753	-
	1,846	**100**
Less: Depreciation pertaining to assets acquired from grant	355	7
	1,491	**93**

25 Borrowings

(at amortised cost)

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. From Banks (Secured) (Refer note 'I')		
i. Buyer Credits	12,034	7,125
ii. Working capital loan	-	9
b. Current maturities of long term borrowings (see note 'II' below)	4,033	479
	16,067	**7,613**

Notes: Borrowings from banks (comprising of Libor financing -Buyer Credit backed by SBLC/Bank guarntee) are secured on pari-passu basis over all the present and future book debts and stock-in-trade comprising of raw material, Components, work in progress and finished goods. These are further secured by first pari-passu charge on entire block of (present and future) Property, Plant and Equipment comprising of land, building, plant and machinery etc. coupled with equitable mortgage of land and property at B-14 & B-15, Phase-II and Exclusive Charge over C-33 Phase II Noida (UP) and Exclusive Charge over Industrial Property located at Plot 18, Block B, Phase II, Noida (UP), Exclusive Charge over Industrial Property located Khasra No. 1050, Central Hope Town,

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

Industrial Area, Selaqui, Dehradun (Uttarakhand), exclusive Charge on movable Fixed Assets of the unit located at plot no 262M, Industrial area, Central hope Town, Selaqui, and District – Dehradun (both Present and Future). First Pari Passu Charge over Movable Fixed Assets of unit located at C-1 Selaqui industrial Area, Dehradun (Uttrakhand). First Pari Passu charge over current assets of Co-borrower (DGPL), both present and future for Co-borrowers Limits. First Pari Passu Charge (with Bank's overseas Business Unit only) on the entire moveable fixed assets (except those exclusively charged to other lenders) of the borrower, both present and future. Second Pari Passu Charge by way of equitable mortgage over the immovable fixed assets at plot no 14 & 15, Block B, Phase 2, Noida Uttar Pradesh. Second Pari Passu Charge on the entire equitable mortgage over the immovable fixed assets (except those exclusively charged to other lenders) at plot no 14 & 15, Block B, Phase 2, Noida Uttar Pradesh.

II For security clause and repayment terms of borrowings, refer note 20.

26 Trade payables

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Total outstanding dues of micro and small enterprises*	5,927	5,686
b. Total outstanding dues to creditors other than micro and small enterprises	2,25,447	1,65,281
	2,31,374	**1,70,967**
* For detailed disclosure of micro and small enterprises see note 40		

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

(₹ in Lakhs)

Particulars	Not due	Outstanding for the following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	5,827	99	-	1	-	5,927
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,55,317	63,595	155	147	110	2,19,324
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	1,61,144	**63,694**	**155**	**148**	**110**	**2,25,251**
Accrued expenses						6,123
						2,31,374

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

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

(₹ in Lakhs)

Particulars		Not due	Outstanding for the following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i)	Total outstanding dues of micro enterprises and small enterprises	5,544	141	-	1	-	5,686
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,27,159	25,924	6,772	325	617	1,60,797
(iii)	Disputed dues of micro enterprises and small enterprises						-
(iv)	Disputed dues of creditors other than micro enterprises and small enterprises						-
		1,32,703	**26,065**	**6,772**	**326**	**617**	**1,66,483**
	Accrued expenses						4,484
							1,70,967

27 Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
A) Current		
a. Outstanding forward Marked to Market (MTM)	56	188
b. Unpaid dividend	-	-
c. Interest accrued but not due on borrowings	64	35
d. Payable for property, plant & equipment	6,369	3,043
e. Amount refundable to customers	11,101	-
f. Others	325	195
	17,915	**3,461**

28 Current tax liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision for income tax (net)	853	8
	853	**8**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

29 Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Sale of products	10,52,372	6,36,191
Sale of services	14,629	8,596
Other operating revenues	2,707	30
	10,69,708	**6,44,817**
A. Revenue from contracts with customers disaggregated based on nature of product or service		
a. Revenue from sale of products		
Manufactured goods	10,52,372	6,36,191
	10,52,372	**6,36,191**
b. Revenue from sale of services		
Service charges	312	92
Job work charges	14,317	8,504
	14,629	**8,596**
c. Other operating revenues		
Export benefits	1,098	17
Rent received (production facility charges)	12	13
Other incentive	1,597	-
	2,707	**30**
Total revenue from operations	**10,69,708**	**6,44,817**
B. Disaggregated revenue information		
The table below presents disaggregated revenue from contact with customers for the year ended March 2022 and March 2021. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors		
Revenue from contracts with customers disaggregated based on geography		
a. Domestic	10,69,124	6,44,167
b. Exports	584	650
	10,69,708	**6,44,817**
C. Reconciliation of Gross Revenue from Contracts With Customers		
Total Revenue from Contract with Customers	10,68,115	6,45,664
Add: Cash Discount, Rebates, sales return etc	1,593	847
Net Revenue recognised from Contracts with Customers	**10,69,708**	**6,44,817**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

30 Other income

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Interest income		
- On fixed deposits/ margin money	44	34
- Others	22	11
Other non operating income		
Compensation Income	30	-
Incentive income	7	7
Foreign exchange fluctuation gain (Net)	19	6
Insurance claim	83	-
Rent income waiver	-	57
Provision for doubtful debts / loans and advances written back	115	4
Gain on sale or fair value of mutual funds (at FVTPL)	58	39
Excess liabilities, credit balances, provisions etc. written back	3	-
	381	**158**

31 Cost of materials consumed

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Opening Stock	46,547	31,189
Add: Purchase (Including Components)	10,25,643	5,90,699
	10,72,190	6,21,888
Less: Closing stock	83,224	46,547
	9,88,966	**5,75,341**

32 Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Inventories at the beginning of the year		
Finished Goods	3,541	4,226
Work in Progress	10,256	11,202
	13,797	15,428
Inventories at the end of the Year		
Finished Goods	9,843	3,541
Work in Progress	14,996	10,256
	24,839	13,797
(Increase)/Decrease	**(11,042)**	**1,631**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

33 Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Salaries and wages	14,913	10,184
Contribution to provident and other funds	922	618
Provision for gratuity (see note 46)	274	210
Share based payments to employees (see note 45)	1,072	938
Staff welfare expense	2,598	1,757
	19,779	**13,707**

34 Finance costs

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Interest on borrowings	3,112	1,897
Interest on lease obligation	1,161	808
Other financial charges	147	39
	4,420	**2,744**

35 Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Depreciation on property, plant and equipment	6,669	3,359
Amortisation of intangible assets	122	107
Depreciation on right of use assets	1,604	906
	8,395	**4,372**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

36 Other expenses

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Consumption of stores and spares	2,435	934
Contractor wages and job work charges	17,081	13,133
Service charge paid	398	196
Power and fuel	4,041	2,639
Rent	745	545
Repairs and maintenance:		
- for buildings	155	115
- for Plant and equipment	231	247
- for others	465	339
Insurance	822	455
Rates and taxes	218	198
Selling and distribution expenses	2,704	2,444
Donations to others	3	11
Director's sitting fees	28	13
Payment to auditors (refer note below)	68	47
Bad debts write off	10	3
Provision for doubtful debts / loans and advances	25	19
Provision for impairment of property, plant and equipment	-	205
Loss on sale of property, plant and equipment	5	33
Corporate social responsibility expenses (see note 47)	392	221
Exchange Fluctuations (Net)	-	66
Bank charges	520	528
Miscellaneous expenses	3,748	3,088
	34,094	**25,479**

Note:

Payment to auditors comprises:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Statutory auditors		
Audit Fees	32	24
Tax Audit Fees	4	3
Out of pocket expenses	1	1
	37	**28**
Group auditors		
Audit Fees	12	12
Tax Audit Fees	2	2
Out of pocket expenses	1	-
Certification fees	8	4
Payment to cost auditors	8	1
	68	**47**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

37 Tax expense

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Current tax	6,358	5,464
Deferred tax	46	402
	6,404	**5,866**
Mat credit entitlement	-	(39)
Income Tax for earlier years	34	(106)
	34	**(145)**
Tax expenses for the year	**6,438**	**5,721**
A. Reconciliation of income tax expense to statutory income tax rate of income		
Profit before tax	25,471	21,701
Income tax Rate	25.17%	25.17%
Estimated income tax expense	6,410	5,461
Tax effect of adjustments to reconcile expected Income tax expense to reported		
Income tax expense :		
Non taxable income/expense (net)	107	53
Expense disallowed / allowed under income tax provisions	(8)	19
Others	(105)	333
	(6)	405
Income Tax expense in the Statement of Profit and Loss	**6,404**	**5,866**
B. Summary of deferred tax		
I. **Deferred tax charge**		
A. Charge to profit and loss		
- Movement of deferred tax assets	-	68
- Movement of deferred tax liabilities	46	471
	46	**403**
B. Charge to other comprehensive income		
- Movement of deferred tax assets	-	-
- Movement of deferred tax liabilities	(4)	(2)
	(4)	**(2)**
	42	**401**

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
II. Deferred tax liabilities (net)		
Deferred tax liability	2,449	2,299
Deferred tax assets	437	329
	2,012	**1,970**
Add: Minimum alternative tax credit entitlement	-	**132**
	2,012	**1,838**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

III. Movement in the deferred tax liabilities (net):

(₹ in Lakhs)

Particulars	As at 1 April, 2021	Recognised in Profit and loss	Recognised in OCI	As at 31 March, 2022
Deferred tax liabilities				
- Depreciation	2,295	150	-	2,445
- Others	4	1	(1)	4
	2,299	**151**	**(1)**	**2,449**
Deferred tax assets				
- Expenses allowed on payment basis	277	137	3	417
- Others	52	(32)	-	20
	329	**105**	**3**	**437**
	1,970	**46**	**(4)**	**2,012**

Particulars	As at 1 April, 2020	Recognised in Profit and loss	Recognised in OCI	As at 31 March, 2021
Deferred tax liabilities				
- Depreciation	2,417	(122)	-	2,295
- Others	(679)	683	-	4
	1,738	**561**	**-**	**2,299**
Deferred tax assets				
- Expenses allowed on payment basis	239	36	2	277
- Others	(2)	54	-	52
	237	**90**	**2**	**329**
	1,501	**471**	**(2)**	**1,970**

38 Contingent liabilities and commitments (to the extent not provided for)

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
a. Contingent liabilities		
Contingent liabilities not provided in respect of		
i. Letters of Credit (outstanding)	58,234	1,04,057
During the year, the Group has availed Non Fund based LC Limits of ₹ 1,64,500 Lakh (Previous year ₹ 97,000 lakhs) from various Banks to import raw material relating to manufacture of finished goods.		
ii. Guarantees issued by bankers on behalf of the Group (These are covered by the charge created in favour of Group's banker by way of hypothecation of stock and trade receivables besides pledge of fixed deposits as margin money)	33,563	2,062
iii. Corporate guarantees given to Banks on behalf of subsidiary for purpose of financial assistance.	1,56,300	32,300
iv. Bill discounting with banks	28,324	7,117
v. a) Bond given to custom department by the group	3,840	5,350
c) Bond given to custom department under AEO	36,350	6,170

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
vi. **Claims against the Group not acknowledged as debt**		
a. Income tax	2,348	2,348
b. Sales tax	437	216
c. Goods and service tax	33	45
d. Excise custom duty and service tax	2,372	1,726
e. Other disputes	36	19
vii. **Summary of amount paid under protest**		
i. Sales tax	140	39
ii. Excise custom duty and service tax*	860	162
iii. Goods and service tax	32	29
	1,032	**230**

Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

* Search was conducted by Directorate of Revenue Intelligence (DRI) at the Group premises on 20 December, 2021. During investigation, questions were raised on interpretation issue on classification on import of goods. To avoid unnecessary business interruption, the Group has decide to pay a adhoc deposit of ₹ 700 Lakhs under protest in lieu of the alleged differential duty. Show cause notice has not been received from Department till the balance sheet date, In absense of same, liability amount is not ascertainable. The Group is of opinion that demand is not sustainable.The management is of the opinion that the Group is in compliance of law and the Group has strong chances of success against any dispute/demand.

b. Contingent assets

The group have not recognised incentive from Government, considering the uncertainty over realisation of the incentive income/ deferred grant. During the current year the Group has not recognised ₹ 867 lakhs (Previous year March 31, 2021 ₹ 652 lakhs) incentive income/deferred grant on accrual basis.

c. Capital commitments:

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Commitments for acquisition of property, plant and equipment (net of advances)	2,312	3,350

d. The Group has other commitments, for purchase of goods and services and employee benefits, in the normal course of business.

e. There are no amount which were required to be transferred to Investor Education and Protection Fund by the Group.

f. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

39 Assets pledged as security

The carrying amount of assets mortgaged as security for current and non-current borrowings are :

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Current assets:		
Financial assets		
Trade receivables	1,35,635	1,08,906
Inventories (excluding in transit)	1,08,063	60,344
Total current assets mortgaged as security	**2,43,698**	**1,69,250**
Non-current:		
Land (Freehold and leasehold)	542	1,154
Vehicles	207	268
Buildings	4,629	5,626
Plant and machinery	52,834	29,330
Total non-currents assets mortgaged as security	**58,212**	**36,378**
Total assets mortgaged as security	**3,01,910**	**2,05,628**

40 Statement under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED):

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
a. Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
- Principal amount	5,927	5,686
- interest due	-	-
b. the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	984	220
c. the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	3	1
d. the amount of interest accrued and remaining unpaid at the end of each accounting year	3	1
e. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	1	12

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

41 Leases

A. Right-of-use assets

i. Carrying value of right of use assets

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	13,218	9,017
Additions during the year	8,020	5,150
	21,238	**14,167**
Depreciation during the year	1,604	906
Derecognised during the year	44	43
Closing balance	**19,590**	**13,218**

ii Movement in lease liabilities during the year:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
a. Balance at the Beginning of the year	13,844	9,276
Additions	8,020	5,150
	21,864	14,426
Finance cost accrued during the year	1,161	808
Payment of lease liabilities	(2,128)	(1,329)
Waiver of rent received during the year	-	(57)
Derecognised during the year	(6)	**(4)**
Balance as at end	**20,891**	**13,844**

b. Maturity analysis of lease liabilities:

i. The table below provides details regarding the cash outflow of lease are as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
Due within one year	2,689	1,962
Due later than one year and not later than five years	12,651	8,145
Due later than five years	70,539	15,216
Total	**85,879**	**25,323**

c. Expense recognised in profit or loss (see note 'a' below)

(₹ in Lakhs)

Particulars	Note	Year ended 31 March, 2022	Year Ended 31 March, 2021
Interest on lease liabilities	34	1,161	808
Depreciation on right of use assets	35	1,604	906
Expenses relating to short-term and low value leases	36	745	545
		3,510	**2,259**

i. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

ii. Rental expense recorded for short-term and low value leases is ₹ 745 Lakhs (previous year ₹ 545 Lakhs) for the year ended March 31, 2022, the same have been recorded under the head 'Other expenses' in the financial statements.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

iii. Rental income on assets given on sub-lease is ₹ Nil for the year ended 31 March, 2021. (₹ Nil for the year ended 31 March, 2020)

iv. Lease contracts entered by the Group majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the contract.

B. Disclosures for operating leases other than leases coverd in Ind AS 116

i. The Group has entered into cancellable operating leases and transactions for leasing of accommodation for Factory Building, Service Centre, office space, Godown, transit house etc. The tenure of lease is generally one year.

Terms of lease include operating terms for renewal, increase in rent in future period and terms of cancellation."

ii. The Group has given its properties on lease one party. Tenure of leases is 3 years. Terms of the lease include operating term for renewal, increase in rent in future period and term of cancellation have a notice period of 3 months, accordingly no lease obligation have been disclosed.

Lease expenses/income recognised during the year

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
a. As a lessee (expenses)		
Factory building, godown, office space, service centre and transit house	745	545
b. As a lessor (income)		
Factory building	12	13

42 Earnings per share

(₹ in Lakhs)

Particulars	Units	Year ended 31 March, 2022	Year ended 31 March, 2021
a. Basic			
Profit for the year	₹ / Lakh	19,033	15,980
Weighted average number of equity shares	No's	5,88,99,761	5,81,29,275
Face value of per share	₹	2	2
Earnings per share - Basic	₹	32.31	27.49
b. Diluted			
Profit for the year		19,033	15,980
Diluted number of equity shares		5,94,73,503	5,94,67,355
Face value of per share		2	2
Earnings per share - Basic		32.00	26.87
The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:			
Weighted average number of equity shares used in the calculation of basic earnings per share	No's	5,88,99,761	5,81,29,275
Shares deemed to be issued for no consideration in respect of employee options on proportionate basis	No's	5,73,742	13,38,080
Weighted average number of equity shares used in the calculation of diluted earnings per share		5,94,73,503	5,94,67,355

c. Pursuant to the approval of the shareholders accorded on March 7, 2021 vide postal ballot conducted by the Holding Company, each equity share of face value of ₹ 10/- per share was subdivided into five equity shares of face value of ₹ 2/- per share, with effect from March 19, 2021. Consequently, the basic and diluted earnings per share have been computed for all the periods presented in the Consolidated Financial Statements of the Group on the basis of the new number of equity shares in accordance with Ind AS 33 – Earnings per Share.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

43 Details of research and development expenditure

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year Ended 31 March, 2021
a. Revenue expenditure		
Cost of materials consumed	76	58
Employee benefits expense	331	273
Other expenses	107	31
Depreciation and amortisation expense	31	28
	545	**390**
b. Capital expenditure		
Purchase of property, plant and equipment	57	13
	57	**13**

44 Financial instruments

a. Capital Management

The Group objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less current investments and cash and cash equivalents) to equity ratio is used to monitor capital.

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Net debt		
a. Borrowings		
- Non current	29,732	7,996
- Current	16,067	7,613
	45,799	**15,609**
b. Cash and cash equivalents	17,646	6,384
c. Current investments	13,502	9,525
	31,148	**15,909**
Net debt	**14,651**	**(300)**
Total equity	**99,678**	**73,730**
Net debt to equity ratio	**0.15**	**(0.004)**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

i. Loan covenants

Under the terms of the major borrowing facilities, the Holding Company is required to comply with the following financial covenants:

a. Current ratio Must be more then 1.33

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

b. Interest Coverage ratio must be more than 4.0 time

c. DSCR >1.5

d Total Debt /EBIDTA < 2.0

e Total Outside liabilities / Total Networth <2.5

f At least 30% of Collection (exculding Xiaomi sale) to be routed through HDFC bank account

b. Categories of financial instruments

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Financial asset		
a. Measured at cost		
i. Investments in subsidiaries and jointly controlled entities	594	-
b. Measured at amortised cost		
i. Other non current financial assets	3,559	1,234
ii. Trade receivables	1,35,635	1,08,906
iii. Cash and cash equivalents	17,646	6,384
iv Other bank balances	588	504
v. Other financial assets	15,615	1,204
vi. Loans	44	250
c. Measured at fair value through Profit and Loss (FVTPL)		
i. Investments	13,502	9,525
Financial liabilities		
a. Measured at fair value through Profit and Loss (FVTPL)		
i. Outstanding forward Marked to Market (MTM)	56	188
b. Measured at amortised cost		
i. Borrowings		
- Non current	29,732	7,996
- Current (including current maturities of long term borrowings)	16,067	7,613
ii. Lease Liability		
- Non current	19,732	12,957
- Current	1,159	887
iii. Trade payables	2,31,374	1,70,967
iv. Other current financial liabilities	17,859	3,273

Notes:

a. There are no significant difference among the fair value of financial assets and liabilities classified as measured at cost or measured at fair value through profit and loss accordingly no separate disclosure of the same have been disclosed.

b. The derivative instruments with respect to forward contract are accounted for as fair value hedge.

c. The Group has not classified any financial assets as hedge instruments and hence hedge accounting is not applicable.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

c. Fair value hierarchy

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

(₹ in Lakhs)

Particulars	Fair value hierarchy	As at 31 March, 2022	As at 31 March, 2021
Financials Assets			
Foreign currency forward contracts			
- Financial liabilities			
Outstanding forward contracts (MTM,FVTPL)	Level 2	56	188
Investments in mutual fund	Level 1	13,502	9,525

Valuation technique and key input

Discounted cash flow. Future cash flow estimated based on forward exchange rates (from observable forward exchange rates at the end of reporting period) and contract forward rates.

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

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

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

There are no transfers between levels 1 and 2 during the year.

Valuation processes

a. The finance department of the Group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO) and the audit committee (AC).

b. Discussions of valuation processes and results are held between the CFO, AC and the valuation team quarterly, in line with the Group's quarterly reporting periods.

d. Summary statement of standalone financial risk management

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group is exposed to market, credit and liquidity risk.

The Group'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 Group are accountable to the Board of Directors and Audit Committee. This process provides assurance to Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Group policies and Group risk objective.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

A. Credit Risk Management

Credit risk is managed on group basis. For deposits only high rated banks/institutions are accepted.

For other financial assets, the Group assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assesses and maintains an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics.

The Group's exposure to customers is diversified and two customer (Previous Year two customer) contributes to more than 10% of outstanding trade receivable ₹ 75,630 lakh (Previous year ₹ 44,588 Lakh) as at 31 March, 2021.

Reconciliation of loss allowance provision

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	145	147
Additional provision made	14	77
Provision adjusted against the amount written off	105	79
Closing provision	**54**	**145**

The provision for loss allowances of trade receivables have been made by the management on the evaluation of trade receivables. The management at each reporting period made an assessment on recoverability of balances and on the best estimate basis the provision for loss allowances have been created.

B. Liquidity Risk

1. The Group determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

2. The Group manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The tables include principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

Maturities of financial liabilities

(₹ in Lakhs)

Particulars	<12 months	>12 months	Total	Carrying value
As on 31.03.2022				
Non Derivative				
Long term borrowings	-	29,732	29,732	29,732
Short term borrowings	16,067	-	16,067	16,067
Trade Payables	2,31,374	-	2,31,374	2,31,374
Lease liability				
- Current	1,159	-	1,159	1,159
- Non Current	-	19,732	19,732	19,732
Other financial liabilities				
- Current	5,492	-	5,492	5,492
As on 31.03.2021				
Non Derivative				
Long term borrowings	-	7,996	7,996	7,996
Short term borrowings	7,613	-	7,613	7,613
Trade Payables	1,70,967	-	1,70,967	1,70,967
Lease liability				
- Current	887	-	887	887
- Non Current	-	12,957	12,957	12,957
Other financial liabilities				
- Current	3,461	-	3,461	3,461

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Maturities of financial assets

(₹ in Lakhs)

Particulars	<12 months	>12 months	Total	Carrying value
As on 31.03.2022				
Non derivative				
Other financial assets				
- Non current	-	3,559	3,559	3,559
- Current	15,615	-	15,615	15,615
Investments				
- Non current	-	594	594	594
- Current	13,502	-	13,502	13,502
Trade receivables	1,35,635	-	1,35,635	1,35,635
Cash and cash equivalents	17,646	-	17,646	17,646
Bank balances other than cash and cash equivalent	588	-	588	588
Loans	44	-	44	44

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	<12 months	>12 months	Total	Carrying value
As on 31.03.2021				
Non derivative				
Other financial assets				
- Non current	-	1,234	1,234	1,234
- Current	1,204	-	1,204	1,204
Investments				
- Non current	-	-	-	-
- Current	9,525	-	9,525	9,525
Trade receivables	1,08,906	-	1,08,906	1,08,906
Cash and cash equivalents	6,384	-	6,384	6,384
Bank balances other than cash and cash equivalent	504	-	504	504
Loans	250	-	250	250

C. Market Risk Management

I. Foreign Currency Risk

a. The operation of the Group give exposure to foreign exchange risk arising from foreign currency transactions and foreign currency loans, primarily with respect to the US$. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group 's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Group hedge the foreign currency exposure. The objective of the hedges is to minimize the volatility of the INR cash flows of highly probable forecast transactions.

b. The Group uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. The Group measures the forward contract at fair value through profit and loss.

c. The spot component of forward contracts is determined with reference to relevant spot market exchange rates. The differential between the contracted forward rate and the spot market exchange rate is defined as the forward points.

The foreign currency exposures for the year ended are as follows:

(₹ in Lakhs)

Particulars		As at 31 March, 2022			As at 31 March, 2021		
		Total	Hedged	Unhedged	Total	Hedged	Unhedged
Borrowings	In USD / Lakh	305	-	305	-	-	-
	In ₹ / Lakh	18,045	-	18,045	-	-	-
Buyers' Credit	In USD / Lakh	258	-	258	97	-	97
	In ₹ / Lakh	12,021	-	12,021	7,125	-	7,125
Creditors	In USD / Lakh	1,595	275	1,320	1,257	782	475
	In CNY / Lakh	123	-	123	293	-	293
	In JPY / Lakh	1,959	-	1,959	1,029	-	1,029
	In AED/lakh	3	-	3			
	In ₹ / Lakh	1,24,306	20,847	1,03,459	97,222	57,467	39,755
Total liability	In USD / Lakh	2,158	275	1,883	1,354	782	572
	In CNY / Lakh	123	-	123	293	-	293
	In JPY / Lakh	1,959	-	1,959	-	-	-
	In AED/lakh	3	-	3	-	-	-
	In ₹ / Lakh	1,54,372	20,847	1,33,525	1,04,347	57,467	46,880
Debtors	In USD / Lakh	275	67	208	4	-	4
	In ₹ / Lakh	10,385	5,054	5,331	329	-	329
Total assets	In USD / Lakh	275	67	208	4	-	4
	In ₹ / Lakh	10,385	5,054	5,331	329	-	329

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

A. Foreign currency risk exposure

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Financial assets	5,331	329
Financial liabilities	1,33,525	46,880
Net exposure (liabilities)	**1,28,194**	**46,551**

Note:

The above amount represents the gross exposure i.e. both hedged and unhedged.

B. Sensitivity

The details of the Group's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currency ('USD'). 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Impact on profit or loss for the year	1,282	503
Impact on total equity as at the end of reporting year	959	376

This is mainly attributable to the exposure outstanding on Currency USD receivables and payables by the Group at the end of the reporting period. Impact on profit for the year are gross of tax.

II. Cash flow and Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group's borrowings at variable rate were mainly denominated in INR and USD.

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

a. Interest rate risk exposure

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Variable rate borrowings	45,612	15,329
Fixed rate borrowings	187	281
	45,799	**15,610**

b. Sensitivity Analysis

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

Impact on profit or loss for the year	456	153
Impact on total equity as at the end of reporting year	341	114
Impact on profit for the year are gross of tax.		

III. Price Risk

The group do not have any investment in quoted securities or other equity instruments except for unquoted investments in subsidiaries and jointly controlled entity. Thus, the Group is not exposed to any price risk.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

43 Employee Stock Option Plan

The Group had a Dixon Technologies (India) Limited — Employee Stock Option Plan, 2018 ('Dixon ESOP 2018') and Dixon Technologies (India) Limited — Employee Stock Option Plan, 2020 ('Dixon ESOP 2020') which provided for the grant of equity shares of the company to the eligible employees of the company and its subsidiary companies. The board of directors recommended the establishment of the Dixon ESOP 2018 and Dixon ESOP 2020 to the shareholders on 26th May, 2018 and 22nd August, 2020 respectively and shareholders approved the recommendations of the Board of Directors in Annual General Meeting held on 25th July, 2018 and 29th September, 2020 respectively. The maximum aggregate number of shares that may be awarded under Dixon ESOP 2018 and Dixon ESOP 2020 was 500,000 equity shares and 300,000 Equity Shares respectively. Further, effective 19th March, 2021, the equity shares of the Company have been splitted from 1 equity share of ₹ 10/- each to 5 equity shares of ₹ 2/- each, therefore, the aforementioned numbers of equity shares have been adjusted accordingly in the below table. Under Dixon ESOP 2018, the company has approved 4 grants vide its meeting held on 31st October, 2018 , 13th November, 2019, 04th August, 2020 adn 25th March, 2022 and under Dixon ESOP 2020 has approved one grant vide its meeting held on 30th October, 2020. As per the plan, option granted under Dixon ESOP 2018 would vest in not less than one year and not more than 4 years from the date of grant of such options and the options granted under Dixon ESOP 2020 would vest in not less than one year and not more than 5 years from the date of grant of such options. Both the Plans are Equity Settled Plans.

(₹ in Lakhs)

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant-1
	Dixon ESOP 2018				Dixon ESOP 2020
Date of Grant	31-Oct-18	13-Nov-19	04-Aug-20	25-Mar-22	30-Oct-20
Date of Share holders Approval	25-Jul-18	25-Jul-18	25-Jul-18	25-Jul-18	29-Sep-20
Date of Board of Directors Approval / Committee	26-May-18	26-May-18	26-May-18	26-May-18	22-Aug-20
No. of Option	24,88,000	24,500	72,500	26,500	15,00,000
Method of settlement (Cash/ Equity)	Equity	Equity	Equity	Equity	Equity
Vesting Period	31-Oct-19	13-Nov-20	04-Aug-21	25-Mar-23	30-Oct-21
	31-Oct-20	13-Nov-21	-	25-Mar-24	30-Oct-22
	31-Oct-21	-	-	25-Mar-25	30-Oct-23
	-	-	-	-	30-Oct-24
	-	-	-	-	30-Oct-25
Exercise Price (Per Share ₹)	373	419	1,434	3,459	1,538
Exercise Period	Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 4 years.	Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 3 years.	Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 2 years.	Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 4 years.	Options vested may be exercised by the Option Grantee within a maximum period of One Year from the date of last vesting of Options. Hence maximum term of Options granted is 6 years.
Ext. of Exercise Period	None	None	None	None	None

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars		As at 31 March 2021				
		Grant I	Grant II	Grant III	Grant IV	Grant-1
		Dixon ESOP 2018				Dixon ESOP 2020
1	**Outstanding at the beginning**					
	Employee Stock Option Plan, 2018					
	-Shares arising out of options	12,50,250	24,500	-	-	-
	-Weighted average exercise price	373	419	-	-	-
2	**New option granted during the year**					
	Employee Stock Option Plan, 2018					
	-Shares arising out of options	-	-	72,500	-	-
	-Weighted average exercise price	-	-	1,434	-	-
	Employee Stock Option Plan, 2020					
	-Shares arising out of options	-	-	-	-	15,00,000
	-Weighted average exercise price	-	-	-	-	1,538
3	**Forfeited and expired**					
	-Shares arising out of options	81,250	-	-	-	2,65,850
	-Weighted average exercise price	373	-	-	-	1,538
4	**Options Exercised during the year**					
	Employee Stock Option Plan, 2018					
	-Shares arising out of options	7,06,400	12,250	-	-	-
	-Weighted average exercise price	373	419	-	-	-
5	**Outstanding at the end**					
	Employee Stock Option Plan, 2018					
	-Shares arising out of options	4,62,600	12,250	72,500	-	-
	-Weighted average exercise price	373	419	1,434	-	-
	Employee Stock Option Plan, 2020					
	-Shares arising out of options	-	-	-	-	12,34,150
	-Weighted average exercise price	-	-	-	-	1,538
6	**Exercisable at the end**					
	Employee Stock Option Plan, 2018					
	-Shares arising out of options	-	-	-	-	-
	-Weighted average exercise price	-	-	-	-	-
	Employee Stock Option Plan, 2020					
	-Shares arising out of options	-	-	-	-	-
	-Weighted average exercise price	-	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

(₹ in Lakhs)

Particulars	As at 31 March 2022				
	Grant I	Grant II	Grant III	Grant IV	Grant-1
	Dixon ESOP 2018				Dixon ESOP 2020
1 Outstanding at the beginning					
Employee Stock Option Plan, 2018					
-Shares arising out of options	4,62,600	12,250	72,500	-	12,34,150
-Weighted average exercise price	373	419	1,434	-	1,538
2 New option granted during the year					
Employee Stock Option Plan, 2018					
-Shares arising out of options	-	-	-	26,500	-
-Weighted average exercise price	-	-	-	3,459	-
Employee Stock Option Plan, 2020					
-Shares arising out of options	-	-	-	-	-
-Weighted average exercise price	-	-	-	-	-
3 Forfeited and expired					
-Shares arising out of options	11,000	-	10,000	-	1,03,000
-Weighted average exercise price	373	-	1,434	-	1,538
4 Options Exercised during the year					
Employee Stock Option Plan, 2018					
-Shares arising out of options	4,51,600	12,250	62,500	-	2,46,230
-Weighted average exercise price	373	419	1,434	-	1,538
5 Outstanding at the end					
Employee Stock Option Plan, 2018					
-Shares arising out of options	-	-	-	26,500	-
-Weighted average exercise price	-	-	-	3,459	-
Employee Stock Option Plan, 2020					
-Shares arising out of options	-	-	-	-	8,84,920
-Weighted average exercise price	-	-	-	-	1,538
6 Exercisable at the end					
Employee Stock Option Plan, 2018					
-Shares arising out of options	-	-	-	-	-
-Weighted average exercise price	-	-	-	-	-
Employee Stock Option Plan, 2020					
-Shares arising out of options	-	-	-	-	-
-Weighted average exercise price	-	-	-	-	-

* Fair value of option is based on the valuation report of option.

Pursuant to the approval of the shareholders accorded on March 7, 2021 vide postal ballot conducted by the Holding Company, each equity share of face value of ₹ 10/- per share was subdivided into five equity shares of face value of ₹ 2/- per share, with effect from March 19, 2021, accordingly the presentation for the current year have been updated.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

46 Employee benefits

a. Defined Contribution Plan

Provident Fund and Other Funds: A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions for provident fund and pension as per the provisions of the Provident Fund Act, 1952 and other acts to the government. The Group's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. The Group's obligation is limited to the amounts contributed by it.

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Contribution to provident and other funds		
a. Contribution to provident fund	816	546
b. Contribution to employee state insurance	53	36
c. Contribution to national pension scheme	53	36
	922	**618**

b. Defined benefits plan

Gratuity: The liability in respect of defined benefit plans includes Gratuity liability as per the provisions of the Payment of Gratuity Act, 1972 which is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees services. The Group's obligation includes actuarial risk and investment risk. Actuarial gains and losses in respect of post-employment are charged to the Profit and Loss Statement.

Assumptions

The assumptions of Dixon technologied (India) Limited, AIL Dixon Technologied Private Limited and Dixon Electro Appliances Pivate Limited as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Future Salary Increase	6.00%	6.00%
Discount rate	7.19%	6.76%
Mortality rates	100% of IALM (2012-14)	100% of IALM (2012-14)
Attributes of ages: withdrawal rate (%)		
up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Retirement age (years)	58	58

Amount recognised in Statement of Profit and Loss in respect of defined benefit plans are as follows.

b. The assumptions for Padget Electronics Private Limited as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Future Salary Increase	5.50%	5.50%
Discount rate	7.26%	6.76%
Mortality rates	100% of IALM (2012-14)	100% of IALM (2012-14)
Attributes of ages: withdrawal rate (%)		
upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Retirement age (years)	58	58

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

Amount recognised in Statement of Profit and Loss in respect of defined benefit plans are as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Service Cost		
- Current service cost	212	161
- Past service cost including curtailment gains/losses	-	-
	212	**161**
Net interest cost	62	49
Expense recognised in statement of profit and loss	**274**	**210**
Other Comprehensive Income (OCI)		
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(54)	4
Actuarial (gains) / losses arising from experience adjustments	(1)	3
Components of defined benefit costs recognised in other comprehensive income	**(55)**	**7**
	219	**217**

Notes:

i. The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

ii. The remeasurernent of the net defined benefit liability is Included-in other comprehensive income.

iii. The Group gratuity scheme is unfunded.

The amount included in the consolidated financial statements arising from the entity's obligation in respect of its defined benefit plans is as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for gratuity		
- Non-Current	1,322	815
- Current	162	108
	1,484	**923**

Movements in the present value of the defined benefit obligation are as follows

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Liability at the beginning of the year	**923**	**717**
Acquisition adjustment	373	-
Interest Costs	64	67
Current Service Costs	209	138
Past Service Cost including curtailment Gains/ Losses	-	11
Benefits paid	(110)	(20)
Actuarial (Gain)/Loss on obligations due to change in Obligation	25	10
Liability at the end of the year	**1,484**	**923**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

Sensitivity Analysis

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
A. Impact of the change in discount rate		
Present Value of Obligation	1,484.00	923.00
Impact due to increase of 0.50%	(57)	(34)
Impact due to decrease of 0.50%	62	36
B. Impact of the change in salary increase		
Present Value of Obligation at the end of the period	1,484.00	923.00
Impact due to increase of 0.50%	59	35
Impact due to decrease of 0.50%	(55)	(32)

Notes:

i. Sensitivities due to mortality and withdrawals are not material, hence impact of change not calculated.

ii. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

iii. The above sensitivity analysis are with out giving the impact of tax.

Maturity Profile of Defined Benefit Obligation

(₹ in Lakhs)

Financial year	Amount
Apr 2022- Mar 2023	138
Apr 2023- Mar 2024	70
Apr 2024- Mar 2025	33
Apr 2025- Mar 2026	36
Apr 2026- Mar 2027	64
Apr 2027- Mar 2028	34
Apr 2028 onwards	767

Description of Actuarial Risk Exposure:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow:

a. Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b. Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c. Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

d. Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e. Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

c. Actuarial assumptions for compensated absences is as under:

(₹ in Lakhs)

Assumptions	As at 31 March 2022	As at 31 March 2021
i. Discounting rate	7.19%	6.76%
ii Future increase salary	6.00%	6.00%

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

47 Corporate Social Responsibility

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

(i)

(₹ in Lakhs)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Gross amount required to be spent by the company	302	239
Total (A)	**302**	**239**
B. Amount spent by the company by		
a. Expenditure		
i. Guru Vishram Vridh Ashram	35	32
ii. Jan Maadhyam	-	16
iii. Nav Abhiyan	5	21
iv. Purkal Youth Development Society	1	20
v. Donation of Ambulances to Noida Authority	39	46
vi. Donation of Oxygen Cylinders	236	-
vii. Saint Hardayal Educational and Orphans Welfare Society	7	28
viii. *PM Cares fund pertains to FY 2019-20	67	50
ix. Champa Devinder Dhi	2	-
Total (B)	**392**	**213**
b. Sanitation drive on service lane	-	8
Total (C)	**-**	**8**
Total Expenditure (B)+(C)	**392**	**221**
C. Shortfall at the end of the year	**-**	**18**

(ii) **Details of ongoing CSR projects under section 135(6) of the Companies Act, 2013**

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance as at the beginning of the year		
With the Group	-	18
In separate CSR Unspent account	-	-
	-	**18**
Amount required to be spent during the period	-	-
	-	-
Amount spent during the period		
From the Group's bank account	-	18
From separate CSR Unspent account	-	-
	-	**18**
Balance as at the closing of the year		
With the Group	-	-
In separate CSR Unspent account	-	-
	-	**-**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

(iii) **Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects**

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance as at the beginning of the year	18	-
Amount required to be spent during the period	302	239
Amount deposited in a specified fund of Schedule VII of the Act with in 6 months -	-	-
Amount spent during the period/year	392	221
Balance / (excess spending) as at the closing of the year	**(72)**	**18**

(iv) **Details of excess CSR expenditure under section 135(5) of the Act**

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance excess / short spent as at the beginning of the year	18	-
Amount required to be spent during the period	302	-
Amount spent during the year (for the FY 2021-22)	392	-
Balance as at the closing of the year	**(72)**	**-**

48 Segment Reporting

The Chief Operating Decision Maker (CODM) comprises of the Board of Directors ,Managing Director and Vice chairman & Chief financial officer which examines the Group's performance on the basis of single operating segment Electronics Goods; accordingly segment disclosure has not been made.

Revenue from two customers (Previous year two customers) of the Group represented approximately ₹ 540,464 Lakhs (Previous year ₹ 307,104.01 Lakhs) individually more than 10% of the Group's total revenue.

49Related parties

a. List of related parties

i. Joint Venture Company

a. Rexxam Dixon Electronics Private Limited (from 23 March, 2022)

ii. Key Managerial Personnel and their relatives

a.	Mr. Sunil Vachani	Chairman
b.	Mr. Atul B. Lall	Vice Chairman and Managing Director
c.	Mr. Saurabh Gupta	Chief financial officer
d.	Mr. Ashish Kumar	Company secretary , Legal & HR Head
e.	Mr. Manuji Zarabi	Non Executive Independent Director
f.	Ms. Poornima Shenoy	Non Executive Independent Director
g.	Mr. Manoj Maheshwari	Non Executive Independent Director
h.	Mr. Keng Tsung Kuo	Non Executive Independent Director
i	Mr. Rakesh Mohan	Non Executive Independent Director
j	Mr. Prithvi Vachani	Son of Chairman

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

b. Transactions /balances outstanding with related parties

(₹ in Lakhs)

Particulars	Joint Venture		KMP and their relatives		Total	
	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Transactions during the year						
Investment in joint venture	600	-	-	-	600	-
Rexxam Dixon Electronics Private Limited	600	-	-	-	600	-
Interest income	1	-	-	-	1	-
Rexxam Dixon Electronics Private Limited	1	-	-	-	1	-
Loan given to related party	44	-	-	-	44	-
Rexxam Dixon Electronics Private Limited	44		-		44	-
Loan repaid by the related party	-	-	-	33	-	33
Mr. Atul B. Lall	-	-	-	4	-	4
Mr. Sunil Vachani	-	-	-	5		5
Mr. Saurabh Gupta	-	-	-	24	-	24
Director sitting fees	-	-	28	13	28	13
Mr. Manuji Zarabi	-	-	7	4	7	4
Ms. Poornima Shenoy	-	-	6	3	6	3
Mr. Manoj Maheshwari	-	-	7	3	7	3
Mr. Keng Tsung Kuo	-	-	5	2	5	2
Mr. Rakesh Mohan	-	-	3	1	3	1
Remuneration (including commission)*	-	-	1,597	1,347	1,597	1,347
Mr. Sunil Vachani	-	-	524	493	524	493
Mr. Atul B. Lall*	-	-	655	617	655	617
Mr. Saurabh Gupta**	-	-	277	129	277	129
Mr. Prithvi Vachani	-	-	4	10	4	10
Mr. Ashish Kumar#	-	-	86	68	86	68
Mr. Manuji Zarabi	-	-	12	8	12	8
Ms. Poornima Shenoy	-	-	12	8	12	8
Mr. Manoj Maheshwari	-	-	12	8	12	8
Mr. Keng Tsung Kuo	-	-	12	8	12	8
Mr. Rakesh Mohan			3	-	3	-

* The amount does not include the shares issued to key managerial personnel under ESOP scheme with share capital amounting to ₹ 1 lakh (previous year ₹ Nil) and security premium amounting to ₹ 615 lakhs (previous year ₹ Nil).

** The amount does not include the shares issued to key managerial personnel under ESOP scheme with share capital amounting to ₹ 2 lakhs (previous year ₹ 2 lakhs) and security premium amounting to ₹ 548 lakhs (previous year ₹ 362 lakhs).

The amount does not include the shares issued to key managerial personnel under ESOP scheme with share capital amounting to ₹ 1 lakh (previous yaer ₹ 1 lakh) and security premium amounting to ₹ 382 lakhs (previous year ₹ 250 lakhs).

Notes to Standalone Financial Statements

for the year ended 31 March, 2022

b. Transactions /balances outstanding with related parties

(₹ in Lakhs)

Particulars	Joint Venture		KMP and their relatives		Total	
	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021
Outstanding balances						
Interest accrued but not due	1	-	-	-	1	-
Rexxam Dixon Electronics Private Limited	1	-	-	-	1	-
Loans	44	-	-	-	44	-
Rexxam Dixon Electronics Private Limited	44	-	-	-	44	-
Investment in equity shares	594	-	-	-	594	-
Rexxam Dixon Electronics Private Limited	594	-	-	-	594	-
Advances to Key management Persons	-	-	1	164	1	164
Mr. Saurabh Gupta	-	-	-	125	-	125
Mr. Prithvi Vachani	-	-	1	-	1	-
Mr. Ashish Kumar	-	-	-	39	-	39
Mr. Sunil Vachani	-	-	-	-	-	-
Mr. Atul B. Lall	-	-	-	-	-	-
Payable to Key Management Persons	-	-	22	8	22	8
Mr. Sunil Vachani	-	-	-	1	-	1
Mr. Ashish Kumar	-	-	2	1	2	1
Mr. Atul B. Lall	-	-	-	1	-	1
Mr. Manoj Maheshwari	-	-	3	1	3	1
Mr. Manuji Zarabi	-	-	3	2	3	2
Ms. Poornima Shenoy	-	-	3	1	3	1
Mr. Rakesh Mohan	-	-	2	1	2	1
Mr. Keng Tsung Kuo	-	-	3	-	3	-
Mr. Saurabh Gupta	-	-	6	-	6	-

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

50 Consequent to the disruption caused due to COVID-19, the Group has made an assessment as at March 31, 2021 of recoverability of the carrying values of its assets such as property, plant and equipment, intangible assets having indefinite useful life, inventory, trade receivables, and other current assets giving due consideration to the internal and external factors. Further, on account of continued spread of COVID-19 disease in the country, the Group has made timely and requisite changes in the business model which has resulted in consistent growth across the product segments during the year. The Group is continuously monitoring the situation arising on account of COVID-19 and will make appropriate action required, if any.

51 Composition of Group

The information about the composition of group at the end of reporting period is as follows:

(₹ in Lakhs)

Name of entity	Principal activity	Place of incorporation	Principal place of business	Proportion of ownership interest/ voting rights held by the group	
				As at 31 March, 2022	As at 31 March, 2021
A. Subsidiary Companies					
Dixon Global Private Limited	Trading	Noida, India	Noida, India	100%	100%
Padget Electronics Private Limited	Manufacturing	Noida, India	Noida, India	100%	100%
Dixon Electro Appliances Private Limited	Manufacturing	Noida, India	Noida, India	100%	100%
Dixon Electro Manufacturing Private Limited*	Manufacturing	Noida, India	Noida, India	100%	-
Dixon Technologies Solutions Private Limited*	Manufacturing	Noida, India	Noida, India	100%	-
B. Joint control Company					
AIL Dixon Technologies Private Limited	Manufacturing	Noida, India	Andhra Pradesh, India	50%	50%
Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited)	Manufacturing	Noida, India	Noida, India	40%	-

Operation details of jointly cosntrol Company

AIL Dixon Technologies Private Limited

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Income	39,947	23,144.00
Expenses	38,674	22,583.00

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Assets	30,243	18,162.00
Liabilities	27,628	16,447.00
Contingent liabilities	500	-
Commitments (net of advance)	-	10.00

Notes to Consolidated Financial Statements
for the year ended 31 March, 2022

Rexxam Dixon Electronics Private Limited (Formerly known as Dixon Devices Private Limited)

(₹ in Lakhs)

Particulars	As at 31 March, 2021
Income	-
Expenses	6

(₹ in Lakhs)

Particulars	As at 31 March, 2021
Assets	612.00
Liabilities	18.00
Contingent liabilities	-
Commitments (net of advance)	-

Note:

i. The operations are disclosed to the extent of the share of the Company.

ii. The information disclosed are based on unaudited financial statements of Rexxam Dixon Electronics Private Limited (formerly known as Dixon Devices Private Limited).

52 Additional information as required under schedule III to the Companies Act, 2013 of enterprieses consolidated as subsidiarties/Joint Venue

(₹ in Lakhs)

Name of the Group	Net Assets i.e Total Assets minus total liabilities	Share of profit and loss		Share of OCI		Total Comprehensive Income
	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	%
A. Holding Company						
Dixon Technologies (India) Limited	92,226.00	85%	15,096	79%	(10.00)	-17%
B. Subsidiary Companies						
Dixon Global Private Limited	1,148.00	1%	131	1%	-	0%
Padget Electronics Private Limited	7,305.00	7%	2,868	15%	(2.00)	-3%
Dixon Electro Appliances Private Limited	4,192.00	4%	32	0%	70.00	116%
Dixon Electro Manufacturing Private Limited*	(20.00)	0%	(21)	0%	-	0%
Dixon Technologies Solutions Private Limited*	(2.00)	0%	(3)	0%	-	0%
C. Joint Venture						
AIL Dixon Technologies Private Limited	2,615.00	2%	898	5%	2.57	4%
Rexxam Dixon Electronics Private Limited*(Formerly known as Dixon Devices Private Limited)	594.00	1%	(5.94)	0%	-	0%
	1,08,058.00		**18,994.90**		**60.57**	
Adjustments in consolidation	(8,325.00)		38.10		(1.57)	
	99,733.00	**100%**	**19,033.00**	**100%**	**59.00**	**100%**

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

53 Application to RBI for setting off Import payables to the suppliers against amount receivables from the distributors

Padget Electronics Private Limited (a subsidiary company) had filed an application with Reserve Bank of India dated 16th March'2020 for setting off Import payables tothe suppliers against amount receivable from the distributors amounting to ₹ 13,561 Lakhs. Based on the RBI application, the company has set off the import payable amounting to ₹ 13,435 Lakhs and trade receivables from distributors ₹ 13,354 Lakhs & obsolete inventory of Import Vendors ₹ 81 Lakhs in the financial year 2019-20. The approval from RBI is still in process.

54 There are no subsequent event observed after the reporting period which have material impact on the Group's operation.

55 Padget Electronics Private Limited (a subsidiary company) have been informed that theft of the inventory had been committed by workers of the subsidiary company amounting to ₹ 93.11 Lakhs detected during the year. A FIR has been registered against such employees. The subsidiary company is adequately covered by fidelity insurance cover and has filed claim with the insurance company.

56 Padget Electronics Private Limited (a subsidiary company) had filled in the Ministry of Electronics and Information Technology (IPHW Division) issued Notification No. No. W-28/1/2019-IPHW-MeitY dated April 01, 2020 for Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing. The company filed an application under such a scheme and got approval during the previous year. Under such a scheme the company is eligible to get a certain percentage of their sales of eligible products as incentive and is valid from Financial Year 2021-22 to 2025-26. During the current year, the company has achieved threshold limits of both investment & sale as prescribed under the scheme for Year 1 i.e. FY 21-22 and is eligible to claim incentive for the same. In this regard, the company has filed a partial claim for the period Aug '21 to Dec'21 which is under approval process of the Ministry of Electronics. Further, filing of claim for Jan '22 to March'22 is under process.

57 Reconciliation with stock statement submitted to HDFC Bank Limited on quarterly in Padget Electronics Private Limited

(₹ in Lakhs)

Quarter ended	Particulars of Securities Provided	Amount as per books of account	Adjustment for GIT, Debtors Creditors set off and Sales Reversal	Net As per Books	Amount as reported in the quarterly return/ statement	Short/ (Excess)	Reasons
March'21	Inventory	10,337	(2,143)	8,193	8,288	(94)	Devalued Stock
March'21	Trade Receivables	7,560	(1,852)	5,708	5,518	190	Due to Grouping Error
March'21	Trade Payables	13,342	(3,995)	9,347	8,480	867	Clearing and provision not included
June'21	Inventory	11,469	-	11,469	11,469	(0)	-
June'21	Trade Receivables	6,991	-	6,991	14,616	(7,625)	Bills discounting not excluded
June'21	Trade Payables	21,693	-	21,693	20,712	981	Clearing and provision not included
September'21	Inventory	28,675	(3,286)	25,390	25,390	(0)	-
September'21	Trade Receivables	10,320	-	10,320	33,935	(23,615)	Bills discounting not excluded
September'21	Trade Payables	57,054	(3,286)	53,768	53,330	438	Trade Payable shown net off of custom duty advance ₹ 648 lakhs. Clearing and provision not included ₹ 1159.03 lakhs. Trade Payables for Goods in Transit (GIT) included but not included in the inventory ₹ 1369.33 lakhs
December'21	Inventory	38,258	-	38,258	38,258	0	-
December'21	Trade Receivables	10,598	2,615	13,213	18,212	(4,999)	Bills discounting not excluded
December'21	Trade Payables	53,195	-	53,195	52,891	304	Clearing and provision not included MEIS Licence Advance setoff with trade payable
March'22	Inventory	39,119	(3,198)	35,921	35,507	414	Overheads Expenses on Inventory loaded on approximate basis
March'22	Trade Receivables	40,961	277	41,238	43,738	(2,500)	Bills discounting not excluded
March'22	Trade Payables	77,626	(3,198)	74,428	75,014	(586)	Clearing and provision not included

In case of the holding Company and other subsidiaries and jointly controlled entities there is no significant differences in the information submitted with the banks and financial institutions.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

58 The Board of directors approved a Business Transfer Agreement (BTA) between Dixon Electro Appliances Private Limited (the Company) and Beetel Teletech Limited (the Transferor Company), The BTA become effective on the closing of business hours of 21 December 2021 (the Completion date) upon receipt of the consent of the member of the company.

Pursuant to the said BTA the Company has acquired, all assets and liabilities (including contract from customer) of the Beetel Teletech Limited on a going concern basis by way of slump sale (as defined under Income tax Act, 1961), with effect from the closing of business hours of 21 December 2021. The assets and liabilties were transferred at carrying value as at 21 December 2021.

The effect of transaction on the accouts of the company as at 21 December 2021 is set out below:

(₹ in Lakhs)

	Particulars	Amount
A	**Assets:**	
	Property Plant and Equipment(less accumulated depreciation) (see note 1 and 2)	726
	Security deposit (see note 3)	15
	Inventories (see note 4)	636
	Cash and cash equivalents	-
	Other current assets	25
	Total assets	**1402**
B	**Liabilities**	
	Trade payables	536
	Other current liabilities	35
	Provisions	449
	Total liabilties	**1020**
C	**Net asset value (A-B)**	**382**
D	**Customer Contract (see note 3)**	1483
E	**Consideration (Purchase price)**	4080
	Goodwill (E-C-D) (see note 4)	**2215**

Notes:

i. The title deed to the properties acquired pursuant to the agreement are in the process of being transferred in the name of the Company for which the Company, has estimated and accrued the necessary transfer fee/ stamp duty in these financial statements

ii. Property plant and equipments acquired includes assets which are fully depreciated (having nil written down value as on the completion date).

iii. Customer contract is valued by independent valuer.

iv. Goodwill represents excess of consideration paid over net of asset and liabilties recognised as on the completion date.

59 The Board of Directors of the Holding Company have recommended a final dividend of 100 % (₹ 2/- per Equity Share of ₹ 2/- each) for the financial year 2021-2022 subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

60 The Code on Social Security, 2020 ('Code') relating to employee benefits, during employment and post-employment benefits, has received the Presidential assent in September 2020. This Code has been published in the Gazette of India. However, the effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. The Company will evaluate the impact of the Code and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

Notes to Consolidated Financial Statements

for the year ended 31 March, 2022

61 Other Statutory Information

i. The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii. The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

iii. The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

iv. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

v. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

vi. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

vii. The Group have not 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

viii. The Group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

ix. The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31, 2021.

x. The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

62 There are no subsequent event observed after the reporting period which have material impact on the Group's operation.

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

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30 May, 2022

For and on behalf of the Board of Directors

Sunil Vachani
Chairman

Atul B. Lall
Vice Chairman and Managing Director

Saurabh Gupta
Chief Financial officer

Ashish Kumar
Company Secretary

Place: Noida
Date: 30 May, 2022

Statement containing salient features Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 relating to Subsidiary & Joint ventures

a) Subsidiary Company

(₹ in Lakhs unless otherwise stated)

S. No	Name of Subsidiary	Date since which subsidiary was acquired	Reporting Currency	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision For Taxation	Profit After Taxation	OCI*	Total CI	Proposed Dividend	% of Shareholding
1	Dixon Global Private Limited	27-Oct-10	INR	100.00	1,048.49	1,376.39	227.90	-	4,267.74	177.00	45.80	131.20	-	131.20	-	100%
2	Padget Electronics Private Limited	12-Apr-19	INR	1,500.00	5,804.99	1,35,940.32	1,28,635.33	-	2,96,008.47	3,931.55	1,063.95	2,867.60	(2.25)	2,865.35	Nil	100%
3	Dixon Electro Appliances Private Limited	15-Jan-20	INR	4,090.00	102.11	5,848.88	1,656.77	-	1,725.67	45.11	13.17	31.94	70.41	102.35	-	51%
4	Dixon Electro Manufacturing Private Limited	16-Mar-21	INR	1.00	(21.39)	31.34	51.73	-	-	(21.27)	-	(21.27)	-	(21.27)	-	100%
5	Dixon Technologies Solutions Private Limited	16-Mar-21	INR	1.00	(2.75)	55.80	57.55	-	-	(2.63)	-	(2.63)	-	(2.63)	-	100%

*Other Comprehensive Income

b) Jointly Controlled Entities:

(₹ in Lakhs unless otherwise stated)

S. No	Name of Joint Ventures	Date since which Joint Venture was acquired	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit or loss for the year	
				Numbers	Amount of Investment in Joint Venture	Extent of Holding% attributable				Considered in Consolidation	Not Considered in Consolidation
1	AIL Dixon Technologies Private Limited	08-Feb-17	31-Mar-22	95,00,000	950.00	50.00%	Note A	-	2,615.01	899.27	-
2	Rexxam Dixon Electronics Private Limited (formarly known as Dixon Devices Private Limited)**	15-May-21	31-Mar-22	60,00,000	600.00	40.00%	Note A	-	594.06	(5.94)	-

**During the year, Rexxam Dixon Electronics Private Limited (formarly known as Dixon Devices Private Limited) has been incorporated, as Joint venture of the Company.

1. Names of Associates or joint ventures or subsidiaries which are yet to commence operations- Rexxam Dixon Electronics Private Limited, Dixon Technologies Solutions Private Limited, Califonix Tech and Manufacturing Private Limited, Dixon Electro Manufacturing Private Limited
2. Names of the Associates or joint ventures which have been liquidated or sold during the year- Nil

Note A: There is significant influence due to percentage holding of share capital.

The Notes are an integral part of the Financial Statements

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

Vinesh Jain
Partner
Membership No. 087701

Place: Noida
Date: 30th May, 2022

For and on behalf of the Board of Directors

Dixon Technologies (India) Limited

Chairman — Sunil Vachani
Vice-Chairman & Managing Director — Atul B.Lall

Chief Financial officer — Saurabh Gupta

Company Secretary — Ashish Kumar

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31ST, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
PADGET ELECTRONICS PRIVATE LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PADGET ELECTRONICS PRIVATE LIMITED** [Deemed public Company by virtue of proviso to Section 2(71) of the Companies Act, 2013] (hereinafter called the "**Company**"). 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.

Auditor's Responsibility

1. Our responsibility is to express opinion on the compliance of the applicable laws and maintenance of records based on the evidences collected, information received and Records maintained by the Auditee or given by the Management.

2. We have conducted the audit in accordance with applicable Auditing standards issued by the Institute of Company Secretaries of India (the "**Standards**") and the Standards require that we comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of Records. Accordingly, we have obtained reasonable assurance about whether the statements prepared, documents or Records maintained by the Auditee are free from misstatement.

3. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Our Opinion

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended **March 31st, 2022**, generally 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 period ended **March 31st, 2022** to ascertain the compliances of various provisions of:

a) The Companies Act, 2013 (the "**Act**") and the Rules made thereunder;

b) The Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the Rules made thereunder;

c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

d) *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;

e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (the "SEBI Act") *to the extent applicable as a wholly owned subsidiary of Dixon Technologies (India) Limited, a Public Company listed on National Stock Exchange of India Limited and BSE Limited:*

   i) *The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

   iii) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   iv) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014;

   v) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   vi) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   vii) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

   viii) *The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

   *Not applicable as there was no reportable event during the audit period

f) As confirmed by the management there are no laws which are specifically applicable to the Company.

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

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

II. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 *to the extent applicable as a wholly owned subsidiary of Dixon Technologies (India) Limited, a Public Company listed on National Stock Exchange of India Limited and BSE Limited*.

During the audit period, the Company has generally complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above.

We further report that

a) The Board of Directors of the Company is duly constituted with proper balance of Directors. There were no changes in the composition of the Board of Directors during the period under review.

b) Adequate notice is given to all directors to schedule the Board and other Committee meetings. Agenda and detailed notes on agenda were sent at least seven days in advance except for meetings of the Board which were convened at shorter notice in compliance with Section 173 of the Act wherein Independent Director(s) were present and detailed notes on agenda were provided at such meetings 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.

c) Majority decision is carried through in each such meetings of the Board and committees of the Board. Further during the course of audit, we have not come across the views of dissenting members recorded as part of the minutes.

d) We further report that based on the information received and records maintained 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 the applicable laws, rules, regulations, regulations and guidelines.

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

- The Company amended its Memorandum of Association by extending the scope of its main objects in the Extra-Ordinary General Meeting dated May 26th, 2021.

- The Company approved authorization for grant of Loan to its Holding, Subsidiary or Associate or Joint Venture or group entity of the Company or any other entity in which any of the Director of the Company is deemed to be interested (collectively referred to as the "entities"), up to a sum not exceeding ₹ 200 Crores [Rupees Two Hundred Crores Only] per entity in the Extra-Ordinary General Meeting dated February 11th 2022, subject to maximum limits approved by the members under Section 186(2) of the Companies Act, 2013.

- The Company approved Inter-corporate loans, Investments, Guarantee or security and acquisition under Section 186 upto ₹ 400 Crores, each respectively in the Extra-Ordinary General Meeting dated February 11th, 2022.

For **Shirin Bhatt & Associates**
Company Secretaries
Firm Registration No. S2011DE162600

Shirin Bhatt
Proprietor
C.P. No. 9150
M. No. F8273
PR No. 1209/2021

Place: Greater Noida
Date: 31-05-2022
UDIN: F008273D000439431

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-A

To,
The Members
PADGET ELECTRONICS PRIVATE LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records 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 followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the financial statements of the Company.

4. Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the 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 **Shirin Bhatt & Associates**
Company Secretaries
Firm Registration No. S2011DE162600

Shirin Bhatt
Proprietor
C.P. No. 9150
M. No. F8273
PR No. 1209/2021

Place: Greater Noida
Date: 31-05-2022

Notes

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Dixon®

The brand behind brands

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