

AMSTRAD
CONSUMER INDIA PRIVATE LIMITED

UNVEILING NEW HORIZONS



**ANNUAL REPORT
2022 - 23**

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Ready, Steady, Go..

After two turbulent years FY 2020-21 & FY2021-22 finally we have bounced back with not only higher revenue but also more importantly started commercial production on 3rd Feb 2023 of our Manufacturing Facility at Supa MIDC, Ahmednagar, Maharashtra through our wholly owned subsidiary Next Generation Manufactures Pvt. Ltd. (NGM).

The inauguration ceremony was attended by most dealer partners for whom the moment of pride was quite visible with people taking selfies in the **'My Brand, My Company, My Factory, My Future Booth'**. There was also a tree planting ceremony where all the partners dug their hands in the soil to reaffirm their commitment in growing Amstrad. Today we are proud that we have concluded the journey **straddling Manufacturing - Brand - Retail**, which was envisaged when the company was created. Presently there are very few companies which encompasses all these three critical elements of the value chain. In summary, we are now ready to lift off with all the hard work done in previous years, fully armed with **Digital and Cloud Management systems, Hyperlocal Advertising, Promax (Profit Maximizer App), 5 Star Service App, etc.** and the impact on revenue should be surely visible in FY 2023-24.

Grand Factory Inauguration



Chairman's Message

It gives me great pride to announce the successful commercial production of our facility Next Generation Manufacturers Private Limited which will provide the backbone **support for Amstrad in terms of better innovative products, enhanced quality standards and improved availability of spare parts leading to better and timely services for consumers.** This may not have an immediate impact on lowering product prices as it will take time to achieve scale and optimise productivity but the journey has begun and eventually, with support from all stakeholders this key element of more aggressive product prices will also be achieved through this facility. I appreciate that the environment is very competitive and we need to take more steps to overcome the challenge of providing better prices in order to grow. Several initiatives like cost optimisation have been implemented partially but more needs to be done to achieve our goal of delivering not only next-generation quality service and technology but also at acceptable price points.

Another significant change is our decision to rename the company from **OVOT Private Limited to Amstrad Consumer India Private Limited.** This strategic change is from a consumer perspective as few consumers understand what OVOT stands for and we have never advertised 'OVOT'. The marketing spends in the last 4 years done by the company is in excess of INR 40 crores through Television, Print, Radio, Airports, OOH, In-store, Digital, etc. and it would be only prudent that we amplify and echo Amstrad brand in our company name like most of the leading companies in Consumer Durable industry..

The road ahead is to focus on building more dealerships and **increasing our reach in every district, town and cluster** and improving visibility at each point of sale, especially in Tier II and Tier III markets. The future growth engine will be Bharat as penetration levels in these markets are still very low and our brand acceptance is much higher than in the urban / metro cities of India.

In order to deliver this ambition we started three programs ***Sampark, Sammelan, Samman.***

Sampark means to connect regularly with every dealer and for this, we have started a Dealer Care Cell with executives (DRE's) who will constantly engage with dealers supporting them in all matters like Service, Marketing, Logistics, Promax, etc. This initiative of Dealer Care Cell is a first in the industry and I am sure all our dealers will take benefit of this and grow sales of Amstrad products.

Sammelan or gatherings would happen online / offline at regular intervals with small groups of dealers and company officials so that we can brainstorm together on how we would like to define or modify our strategies for achieving growth in sales. This is very much like a team meeting on the Cricket field where players go into a huddle holding each others shoulders and discussing what to do next.

Lastly, Amstrad was created by Dealers who were the founding investors and *Samman* or respect must be given where deserved. This is not designed for only monetary gratification but to acknowledge the contribution of dealers in fulfilling the dream of building Bharat's one and only Dealer centric Brand - Amstrad. I look forward to your guidance, support in the year ahead to create new milestones for growth and prosperity. Greetings to you and your family for the festive season ahead.

I look forward to your guidance, support in the year ahead to create new milestones for growth and prosperity. Greetings to you and your family for the festive season ahead.

Warm Regards,
For and on behalf of the Board of Directors of Amstrad Consumer India Private Limited.

Nanu Gupta
Chairman

Dealer Care Initiatives

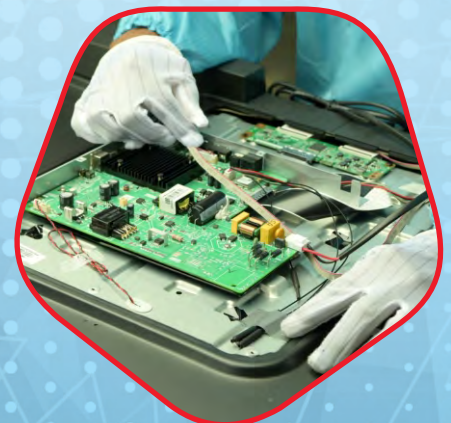
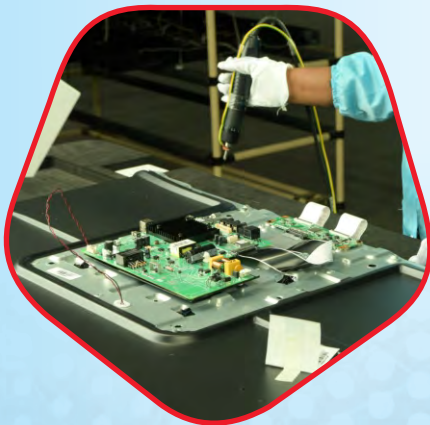


Watch our Factory Video on YouTube

<https://youtu.be/SwH7DTYqtFA>



Factory Highlights



CORPORATE INFORMATION

BOARD OF DIRECTORS

| Sr No | Name of Director | Designation |
|-------|------------------------|-----------------------------------|
| 1. | Mr.Nanu Gupta | Chairman & Non Executive Director |
| 2. | Mr. Nipun Singhal | Managing Director & CEO |
| 3. | Mr. Nilesh Gupta | Non Executive Director |
| 4. | Mr. Sanjay Chhabra | Non Executive Director |
| 5. | Mr. Jaswinder Singh | Non Executive Director |
| 6. | Mr. VijaySingh Chordia | Non Executive Director |
| 7. | Mr. Vishvajeet Sambhus | Non Executive Director |
| 8. | Mr. Navroze Dhondy | Non Executive Director |
| 9. | Mr. Dharmesh Dalal | Non Executive Director |
| 10. | Mr. Lalit Jalan | Non Executive Director |
| 11. | Mr. Jose Ponnezhath | Non Executive Director |

CHIEF FINANCIAL OFFICER

Mr. Sanjeev Mittal

COMPANY SECRETARY

Ms. Hashmita K Saha

STATUTORY AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP,
(Firm Registration No. 012754N/N500016)

REGISTRAR AND TRANSFER AGENT

Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area,
Phase – I, New Delhi – 110020

REGISTERED OFFICE

PLOT NO. F-3, MIDC, Supa - Parner,
Ahmednagar, Maharashtra,
India, 414301.

BANKERS

ICICI Bank Limited
Kotak Mahindra Bank Limited
HDFC Bank Limited
YES Bank Limited
Tata Capital Financial Services Limited

DIRECTORS REPORT

To,

The Members,

AMSTRAD CONSUMER INDIA PRIVATE LIMITED

Your Directors have pleasure in presenting the **5th (Fifth) Annual Report** of the Company along with the Audited Financial Statements for the financial year ended **31st March, 2023**.

(A) Statutory Disclosures:

We furnish below, the information required under Section 134(3) of the Companies Act, 2013. All references to Sections in the table below are references to applicable Sections of the Companies Act, 2013.

| SR. NO. | PARTICULARS REQUIRED | INFORMATION FURNISHED |
|---------|---|--|
| 1. | Number of Board Meetings held during the year under review | Five Board Meetings were held during the year under review and gap between two board meetings did not exceed the limits prescribed under the act. |
| 2. | Directors' Responsibility Statement | <p>The Directors confirm that:</p> <p>(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;</p> <p>(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 year;</p> <p>(c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;</p> <p>(d) The Directors have prepared the annual accounts on a going concern basis; and</p> <p>(e) As company is not listed, so relevant information is not required to be furnished.</p> <p>(f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.</p> |
| 3. | Details in respect of frauds reported by auditors under sub-section (12) of Section 143 other than those which are reportable to the Central Government | The auditors have not reported any frauds during the year under review under section 143(12) of the Companies act 2013. |

| | | | |
|----|--|--|---|
| 4. | Statement on Declarations given by independent director under Section 149(6) | The provisions of Section 149(1) relating to appointment of Independent Directors are not applicable to the Company. The provisions of Section 149(10) relating to disclosure of appointment of Independent Directors are also not applicable to the Company. | |
| 5. | Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(1) | The provisions of Section 178(1) relating to appointment of Nomination and Remuneration Committee are not applicable to the Company. | |
| 6. | Explanations or comments on every qualification, reservation or adverse remark or disclaimer made— (i) by the auditor in his report; and | (i) | Qualifications or adverse remark or disclaimer made by the auditor in his report: 1. Auditor draw their attention to Note No. 40 to the standalone financial statements which describes the instance of cyber fraud through a foreign vendor's employee email account allegedly having been accessed by the perpetrator and the Company resulting in making a payment of ₹ 142,316,178 (1,951,428 USD) to a bank account in Texas, USA, which the vendor has denied to be belonging to them. The Company has taken various steps to investigate into the matter including appointment of an independent investigation agency to provide findings, and filing of complaints with the Pune Cyber cell, the United States Secret Service and Federal Bureau of Investigation, (FBI) for investigation into the matter. Foreign Vendor has filed arbitration with Shanghai International Arbitration Center (SHIAC), after long hearings from both sides SHIAC has reserved its order which is awaited. Pending outcome of the investigations, we are unable to comment on the impact of the matter on the standalone financial statements of the Company and any liability that may devolve upon the Company. 2. Auditor draw their attention to Note 35 to the standalone financial statements which describes On February 16, 2019, inventory lying at one of the warehouses of the Company, having carrying amount of ₹ 1,254.97 lakhs was destroyed on account of fire at warehouse. The Company had recognized the same as "Loss on account of goods destroyed by fire at warehouse" of ₹ 1,606.08 lakhs and credited "Inventories" by ₹ 1,254.97 lakhs and credited the balance amount under the head "Balance with government authorities" by ₹ 351.11(for IGST credit reversal). As per agreement with Seawaves Logistics Private Limited (acting forwarding agent of the Company, who handles / manages inventory at the warehouse), the claim is recoverable from them, for which they have given a confirmation as at March 31, 2022 and accordingly the Company had the shown the same as receivable under "Other current assets". During the previous years, the Company had recovered an amount of ₹ 19.61 lakhs by way of sale of scrap and the net receivable as on March 31, 2022 is Rs 1,586.47 lakhs. |

| SR. NO. | PARTICULARS REQUIRED | INFORMATION FURNISHED | |
|---------|--|-----------------------|--|
| | | | <p>During the year, the management has recorded a provision for the same on account of significant delay in the settlement of the claim and confirmations from the Seawaves Logistics Private Limited stating the fact that claim is live and shall be paid subject to approval by the Insurance Company. Further, a letter has been submitted by Seawaves Logistics Private Limited to Insurance Company to pay the claim amount directly to the Company on approval of the claim.</p> |
| | | | <p>Explanations or Comments of Board:</p> |
| | | 1. | <p>Based on the forensic auditors appointed by the management and assessment performed by the management, it was concluded that the Perpetrator has access to the vendor's employee email's account and had sent an email requesting for change the bank account. Hence, management believes that there was an instance of cyber fraud on vendor and not foresee any liability arising on the company in respect of the said matter. However, foreign vendor has filed arbitration with Shanghai International Arbitration Centre (SHIAC) the matter is sub-judice with the SHIAC.</p> |
| | | 2. | <p>There is an outstanding amount of ₹ 1,586.47 Lakhs from Seawaves logistics Private limited for goods lost during fire incidence on 16th February 2019 where company stocks was in custody of Seawaves Logistics Private limited. During the year, the management has recorded a provision for the same on account of significant delay in the settlement of the claim and confirmations from the Seawaves Logistics Private Limited stating the fact that claim is live and shall be paid subject to approval by the Insurance Company. Further, a letter has been submitted by Seawaves Logistics Private Limited to Insurance Company to pay the claim amount directly to the Company on approval of the claim.</p> |
| | | | <p>The Directors have reviewed the financial statements for the year ended March 31, 2023 prepared in accordance with generally accepted accounting policies in India and the financial statements reflect the true and fair view of the financial position and financial performance of the company.</p> |
| (ii) | by the company secretary in practice in his secretarial audit report | (ii) | The Company is not liable for Secretarial Audit. |

| SR. NO. | PARTICULARS REQUIRED | INFORMATION FURNISHED | |
|---------|---|--|--|
| 7. | Particulars of loans, guarantees or investments under section 186. During the year. | Name of Company | Investment (Amount in ₹) Status |
| | | Next Generation Manufacturers Private Limited | 15,00,00,000/- (0% compulsory convertible debenture) Wholly Owned Subsidiary |
| | | Apart from the Investments mentioned above the company has given Corporate guarantee to Saraswat Bank for the loan availed by Next Generation Manufacturers Private Limited as on 6th February, 2023 as covered by Section 186. | |
| 8. | Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188. | Please refer Form AOC-2 annexed hereto. | |
| 9. | The state of the company's affairs | On Standalone basis total income of the Company for the year under review is Rs. 25,131.31 lakhs. (Rs.22,254.23 lakhs). The Company incurred Loss of Rs. (-) 3,427.12 lakhs (Rs. (-) 1775.42) during the year under review. On the basis of Consolidated Statement total income of the Company for the year under review is Rs. 25648.29 lakhs. (Rs. 22,294.46 lakhs). The Company incurred Loss of Rs. (-) 3,602.99 lakhs (Rs. (-) 1841.17) during the year under review. | |
| 10. | The amounts, if any, which it proposes to carry to any reserves. | The company is not proposing to carry any amounts to reserves. | |
| 11. | The amount, if any, which it recommends should be paid by way of dividend. | The Board does not recommend any dividend for the financial year under review. | |
| 12. | Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report. | The material changes have happened after the closure of the Financial year but before the signing of the Financial Statement are as follows:- 1. The Authorized Share Capital of the Company has been Increased from 25,00,00,000 (Rupees Twenty-Five Crore) to 35,00,00,000 (Rupees Thirty Five Crore) accordingly the Alteration in the Memorandum and Articles of Association of the Company was made. 2. Conversion of Compulsory Convertible Debentures (CCD's) and ESO Warrants into Equity Shares prior to the Mandatory date fixed as 31st December, 2023. | |
| 13. | The conservation of energy, technology absorption, foreign exchange earnings and outgo. | (A) | Conservation of energy: (i) the steps taken or impact on conservation of energy: The Company is taking all reasonable steps for conservation of energy. (ii) the steps taken by the company for utilizing alternate sources of energy: Not Applicable (iii) the capital investment on energy conservation equipment: Not Applicable |

| SR. NO. | PARTICULARS REQUIRED | INFORMATION FURNISHED | | | | | | | | | | | | | | | | | | | | | | | | |
|------------|--|--|------------|-------------------------------|-----|---|------|--|-------|--|-----|---|-----|---------------------------------------|-----|---|-----|---|------|---|------------|---|--|--|--|--|
| | | <table border="1" style="width: 100%;"> <tr> <td style="text-align: center;">(B)</td> <td>Technology absorption:</td> </tr> <tr> <td style="text-align: center;">(i)</td> <td>the efforts made towards technology absorption; Not Applicable</td> </tr> <tr> <td style="text-align: center;">(ii)</td> <td>the benefits derived like product improvement, cost reduction, product development or import substitution; Not Applicable</td> </tr> <tr> <td style="text-align: center;">(iii)</td> <td>in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable</td> </tr> <tr> <td style="text-align: center;">(a)</td> <td>the details of technology imported; Not Applicable</td> </tr> <tr> <td style="text-align: center;">(b)</td> <td>the year of import; Not Applicable</td> </tr> <tr> <td style="text-align: center;">(c)</td> <td>whether the technology been fully absorbed; Not Applicable</td> </tr> <tr> <td style="text-align: center;">(d)</td> <td>if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and Not Applicable</td> </tr> <tr> <td style="text-align: center;">(iv)</td> <td>the expenditure incurred on Research and Development. Not Applicable</td> </tr> <tr> <td style="text-align: center;">(C)</td> <td>Foreign exchange earnings and Outgo:</td> </tr> <tr> <td></td> <td>The Foreign Exchange earned in terms of actual inflows during the year is NIL.</td> </tr> <tr> <td></td> <td>The Foreign Exchange outgo during the year in terms of actual outflows is ₹ 3768.15 Lakhs.</td> </tr> </table> | (B) | Technology absorption: | (i) | the efforts made towards technology absorption; Not Applicable | (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution; Not Applicable | (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable | (a) | the details of technology imported; Not Applicable | (b) | the year of import; Not Applicable | (c) | whether the technology been fully absorbed; Not Applicable | (d) | if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and Not Applicable | (iv) | the expenditure incurred on Research and Development. Not Applicable | (C) | Foreign exchange earnings and Outgo: | | The Foreign Exchange earned in terms of actual inflows during the year is NIL. | | The Foreign Exchange outgo during the year in terms of actual outflows is ₹ 3768.15 Lakhs. |
| (B) | Technology absorption: | | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) | the efforts made towards technology absorption; Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution; Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | |
| (a) | the details of technology imported; Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | |
| (b) | the year of import; Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | |
| (c) | whether the technology been fully absorbed; Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | |
| (d) | if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iv) | the expenditure incurred on Research and Development. Not Applicable | | | | | | | | | | | | | | | | | | | | | | | | | |
| (C) | Foreign exchange earnings and Outgo: | | | | | | | | | | | | | | | | | | | | | | | | | |
| | The Foreign Exchange earned in terms of actual inflows during the year is NIL. | | | | | | | | | | | | | | | | | | | | | | | | | |
| | The Foreign Exchange outgo during the year in terms of actual outflows is ₹ 3768.15 Lakhs. | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14. | Statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company; | The Company regularly monitors and appropriately manages principal risks and uncertainties that can materially impact its ability to achieve its strategic objectives. | | | | | | | | | | | | | | | | | | | | | | | | |
| 15. | Details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year. | The provisions of Section 135 relating to Corporate Social Responsibility are not applicable to the Company during the year under review. | | | | | | | | | | | | | | | | | | | | | | | | |
| 16. | Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual Directors. | The provisions of Section 134(3)(p) relating to performance evaluation are not applicable to the Company. | | | | | | | | | | | | | | | | | | | | | | | | |

| SR. NO. | PARTICULARS REQUIRED | INFORMATION FURNISHED | | | | |
|---------|---|--|--|--|---|---|
| | | Particulars | 31st March, 2023 (₹ in lakhs) Standalone | 31st March, 2022 (₹ in lakhs) Standalone | 31st March, 2023 (Rs.in lakhs) Consolidated | 31st March, 2022 (Rs.in lakhs) Consolidated |
| 17. | Financial summary or highlights; | Total Income | 25,131.31 | 22,254.23 | 25,648.29 | 22,294.46 |
| | | Total Expenditure | 26,968.70 | 24,030.84 | 27,655.45 | 24,136.70 |
| | | Profit/(Loss) before tax | (3,423.86) | 1,776.61 | (3,593.63) | (1,842.24) |
| | | Profit/(Loss) after tax | (3,427.12) | 1,775.42 | (3,602.99) | (1,841.17) |
| | | | | | | |
| 18. | Change in the nature of business, if any; | There is no change in the nature of business of the Company. | | | | |
| 19. | Name Change of the Company | <p>There is no change in the name of the Company during year under review.</p> <p>The major changes has happened after the closure of financial year and before the signing of the Annual Financial Statements is that the name of the Company has been changed from OVOT Private Limited to Amstrad Consumer India Private Limited w-e-f 10th July, 2023.</p> | | | | |
| 20. | Details of Directors or key managerial personnel who were appointed or have resigned during the year; | <p>There are no changes in the composition board of directors . But there is a change in Key Managerial Personnel of the company during the year.</p> <p>Mr. Pramit Gargh (08200744) has resigned as an Additional Director w-e-f 31st August, 2022.</p> <p>Ms. CS Priyanka Singh (ACS 66293) has resigned from the post of Company Secretary of the Company w-e-f 26th February, 2023</p> <p>But there is no change in composition of board of directors. But there is change in Key Managerial Personnel after the closure of Financial Year i.e 31st March, 2023.</p> <p>Ms. CS Hashmita K Saha (ACS 52124) has been appointed as a Company Secretary of the Company w-e-f 1st April, 2023.</p> | | | | |
| 21. | Names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year; | Name of Company | Date of Incorporation | | Status | |
| | | Not Applicable | | | | |
| 22. | Details relating to deposits, covered under Chapter V of the Act, - | (a) | accepted during the year: | | | |
| | | | The Company has not accepted any deposits during the year | | | |
| | | (b) | remained unpaid or unclaimed as at the end of the year: | | | |
| | | | The Company does not have any unpaid or unclaimed deposits as at the end of the year. | | | |
| 23. | Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future; | (c) | whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: (NOT APPLICABLE) | | | |
| | | There is no matter pending in any Regulators, Courts or Tribunals against the Company. | | | | |
| 24. | Details in respect of adequacy of internal financial controls with reference to the Financial Statements. | The Company has adequate financial controls with reference to the Financial Statements, however considering note no.42 of the financial statements, Auditor has given qualified opinion on the same. | | | | |

| SR. NO. | PARTICULARS REQUIRED | INFORMATION FURNISHED | | | | |
|---------|--|--|----|--|----|--|
| 25. | Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement is presented. | <p>Followings are wholly owned subsidiaries: -</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 5%;">1.</td> <td>Amstrad Consumer Products Private Limited.</td> </tr> <tr> <td>2.</td> <td>Next Generation Manufacturers Private Limited.</td> </tr> </table> | 1. | Amstrad Consumer Products Private Limited. | 2. | Next Generation Manufacturers Private Limited. |
| 1. | Amstrad Consumer Products Private Limited. | | | | | |
| 2. | Next Generation Manufacturers Private Limited. | | | | | |
| 26. | Establishment of Vigil Mechanism. | The provisions of Section 177(9) relating to establishment of Vigil Mechanism are not applicable to the Company. | | | | |
| 27. | Particulars of voting rights not exercised directly by the employees in respect of shares acquired by them with money provided to them by the Company under a scheme | The provisions of Section 67(3)(b) read with the Proviso thereto are not applicable to the Company. | | | | |
| 28. | Constitution of Audit Committee | The provisions of Section 177 relating to appointment of Audit Committee are not applicable to the Company. | | | | |
| 29. | Ratio of the remuneration of each director to the median employee's remuneration | The provisions of Section 197(12) are not applicable to the Company. | | | | |
| 30. | Particulars of Managing/ Whole time Director receiving commission from the Company and also receiving remuneration from or commission from any holding Company or subsidiary company | The provisions of Section 197(14) are not applicable to the Company. | | | | |
| 31. | Statement Under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 | The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has adopted a Policy on prevention, prohibition and Redressal of sexual harassment at the workplace in line with the provisions of the aforesaid Act and the Rules there under. During the year under review, the Company has not received any complaints on sexual harassment. | | | | |

(B) Auditors:

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration No. 012754N/N500016) is Statutory Auditor of the company and will hold office till the conclusion of the Sixth Annual General Meeting

(C) Acknowledgments:

Your directors place on records their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record their appreciation for the support and co-operation your Company has been receiving from its suppliers, customers, business partners, banks, regulatory and government authorities.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Pune
Date: 6th September, 2023

Nanu Gupta
Chairman and Director
DIN: 00664930

Nipun Singhal
Managing Director
DIN: 02026825

FORM NO. AOC -2

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis

Not Applicable

Details of contracts or arrangements or transactions at Arm's length basis:

| Name(s) of the related party | Nature of relationship | Nature of contracts /arrangements / transactions | Duration of the contracts/ arrangement/ Transactions | Salient terms of the contracts or arrangements or transactions including the value, if any Value (Amount in INR) | Date(s) of approval by the Board if any | Amount paid as advances, if any |
|---|--|--|--|--|---|---------------------------------|
| Arihant Refrigeration | Firm in which Director is interested | Sale of Goods | April,22 to March,23 | 7,18,21,301 | NA | Nil |
| | | Sale of Spares | | 2,57,079 | | |
| | | Purchase of goods | | 21,02,575 | | |
| | | Purchase of goods Spare | | 10,91,622 | | |
| | | Credit Note-Spare | | 995 | | |
| Amstrad Consumer India Private Limited | Wholly owned subsidiary of OVOT | Sale of Goods | April,22 to March,23 | 69,13,913 | NA | Nil |
| | | Sale Return | | 1,38,801 | | |
| Bacer Enterprises India Private Limited | Private company in which Director is a member and director | Sale of Goods | April,22 to March,23 | 18,64,42,003 | NA | Nil |
| | | Sale of Spares | | 3,80,50,308 | | |
| | | purchase of spare | | 2,13,12,822 | | |
| | | purchase of goods | | 1,14,80,161 | | |
| CPR Distributors Private Limited | Private company in which Director is a member and director | Sale of Goods | April,22 to March,23 | 6,78,48,666 | NA | Nil |
| | | Sale of Spares | | 12,03,916 | | |
| | | purchase of goods | | 22,36,456 | | |
| | | | | 9,63,971 | | |
| | Sale of Goods | 6,78,48,666 | | | | |
| Creatigies Communications Private Limited | Private company in which Director is member and director | Advertisement and Marketing | April,22 to March,23 | 95,50,000 | NA | Nil |

| Name(s) of the related party | Nature of relationship | Nature of contracts /arrangements / transactions | Duration of the contracts/ arrangement/ Transactions | Salient terms of the contracts or arrangements or transactions including the value, if any Value (Amount in INR) | Date(s) of approval by the Board if any | Amount paid as advances, if any |
|---------------------------------------|--|---|---|---|--|--|
| Gurunanak Airtech Private Limited | Private company in which Director is a member and director | Sale of Goods | | 5,71,10,165 | NA | Nil |
| | | Sale of Spares | | 22,17,682 | | |
| | | purchase of goods | | 42,50,421 | | |
| | | purchase of Spares | | 39,54,991 | | |
| Gaurav Distributors | Firm in which Director is interested | Sale of Goods | April,22 to March,23 | 58,34,915 | NA | Nil |
| | | Sale of Spares | | 7,41,271 | | |
| | | purchase of goods | | 42,50,781 | | |
| | | purchase of spare | | 30,42,684 | | |
| Jalan Brothers Private Limited | Private company in which Director is a member and director | Sale of Goods | April,22 to March,23 | 12,49,094 | NA | Nil |
| | | Sale of Spares | | 2,25,627 | | |
| | | Purchase of Goods | | 36,10,176 | | |
| | | Purchase of spares | | 3,72,549 | | |
| Mindage Realty Private Limited | Private Company in which relatives of Manging Director are members and directors | Product Sourcing Arrangement Fees | April,22 to March,23 | 2,31,61,417 | NA | Nil |
| | | License Fees For Office | | 11,19,650 | | |
| | | Repair Maintenance | | 1,59,964 | | |
| Mindage Solutions Private Limited | Private Company in which relatives of Manging Director are members and directors | License Fees For Office | April,22 to March,23 | 7,60,825 | | Nil |
| | | Repair Maintenance | | 1,27,146 | | |
| | | HO electricity | | 28,694 | | |
| Next Generation Manufacturing Pvt Ltd | Wholly owned subsidiary of OVOT | Sale of Goods | April,22 to March,23 | 4,80,04,696 | | Nil |
| | | Sale of Spares | | 29,42,87,725 | | |
| | | purchase of goods | | 15,68,58,639 | | |
| Seawaves Logistics Private Limited | Private company in which Director is member and director | container handling charges, transportations, and other services | April,22 to March,23 | 83,29,992 | | |
| | | Sale of Goods | | 79,992 | | |

| Name(s) of the related party | Nature of relationship | Nature of contracts /arrangements / transactions | Duration of the contracts/ arrangement/ Transactions | Salient terms of the contracts or arrangements or transactions including the value, if any Value (Amount in INR) | Date(s) of approval by the Board if any | Amount paid as advances, if any |
|-------------------------------------|--|--|--|--|---|---------------------------------|
| Vijay Sales (India) Private Limited | Private company in which Director is member and director | Sale of Goods | | 1,07,93,01,410 | | |
| | | Loans Taken | | 29,00,00,000 | | |
| | | Interest Expenses | | 69,07,671 | | |
| | | Loans Repayment | | 29,00,00,000 | | |
| | | Purchase of Goods | | 5,02,52,580 | | |
| | | Sale Return | | 12,27,469 | | |
| | | Advertisement & Marketing | | 99,82,671 | | |

**For and on behalf of the Board of Directors
of Amstrad Consumer India Private Limited (Formerly Known As OVOT Private Limited)**

Place: Pune
Date: 6th September, 2023

Nanu Gupta
Chairman and Director
DIN: 00664930

Nipun Singhal
Managing Director
DIN: 02026825

INDEPENDENT AUDITOR'S REPORT

**To the Members of Amstrad Consumers India Private Limited
(formerly known as OVOT Private Limited)**

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying financial statements of Amstrad Consumers India Private Limited (formerly known as OVOT Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and except for the indeterminate effects of matters described in the 'Basis of Qualified Opinion' section below, give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit and its cash flows for the year then ended.

Basis for Qualified Opinion

3. We draw your attention to the following:
 - (a) Note 42(a) of the standalone financial statements which describes the instance of cyber fraud through a foreign vendor's employee email account allegedly having been accessed by the perpetrator and the Company resulting in making a payment of Rs 1,423.16 Lakhs (USD 19.51 Lakhs) to a bank account in Texas, USA which the vendor had denied to be belonging to them. The Company has taken various steps to investigate into the matter including appointment of an independent investigation agency to provide findings, and filing of complaints with the Pune Cyber Cell, the United States Secret Service and Federal Bureau of Investigation (FBI) for investigating into the matter. Pending outcome of the investigations, we are unable to comment on the impact of the matter on the standalone financial statements of the Company and any liability that may devolve on the Company.

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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.

7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.

Report on other legal and regulatory requirements

11. 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and except for indeterminate impact of the matters stated in paragraph 3(a) of 'Basis for Qualified Opinion' section above, 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, except for indeterminate impact of the matters specified in paragraph 3(a) 'Basis for Qualified Opinion' section above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.
- (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, except for the indeterminate impact of the matters referred to in 'Basis of Qualified Opinion' section above the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial

statements – Refer Note 36 to the financial statements;

- ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 45 to the financial statements);
(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 45 to the financial statements); and
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our

notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and

Auditors) Rules, 2014 (as amended), is currently not applicable.

- 13. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Place: Pune

Membership Number: 127791

Date: September 28, 2023

UDIN: 23127791BGWBQZ2139

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 12(g) of the Independent Auditors' Report of even date to the members of Amstrad Consumers India Private Limited (formerly known as OVOT Private Limited) on the financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Amstrad Consumers India Private Limited (formerly known as OVOT Private Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

controls system with reference to 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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.

Basis of Qualified Opinion

8. According to the information and explanations given to us and based on our audit, a material weakness has been identified as at March 31, 2023, as the Company did not have appropriate internal control system for ensuring compliance with respect to legal claims by the vendor, which could potentially result in having impact on the Company (Refer Note 42 to the standalone financial statements and Paragraphs 3(a) of 'Basis of Qualified Opinion' section above).
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim standalone financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

10. In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference to financial statements and except for the indeterminate effects of the material weakness described in the 'Basis for Qualified Opinion' section of our report, such internal financial controls with reference to financial statements were operating effectively as of March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note issued by ICAI.
11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2023, and this material weakness affect our opinion on the standalone financial statements of the Company, and we have issued a qualified opinion on the standalone financial statements. Refer the Basis for Qualified Opinion section of the Independent Auditor's Report.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Place: Pune

Membership Number: 127791

Date: September 28, 2023

UDIN: 23127791BGWBQZ2139

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Amstrad Consumers India Private Limited (formerly known as OVOT Private Limited) on the financial statements as of and for the year ended March 31, 2023

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not own any immovable properties (Refer Note 15 to the financial statements). Therefore, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account as set out below (Also refer Note 45 to the financial statements).

| Name of the Bank/ Financial Institution | Aggregate working capital limits sanctioned (Rs. In lacs) | Nature of Current Asset offered as Security | Quarter ended | Amount disclosed as per quarterly return/ statement (Rs. In lacs) | Amount as per books of account (Rs. In lacs) | Difference (Rs. In lacs) | |
|---|---|---|--------------------|---|--|--------------------------|--------|
| Kotak Mahindra Bank | 5,000 | Inventory | June 30, 2022 | 6,873.63 | 5,834.82 | 1,038.81 | Note 1 |
| | | Trade receivable | June 30, 2022 | 4,452.22 | 5,079.34 | (627.12) | Note 2 |
| | | Inventory | September 30, 2022 | 5,919.73 | 6,227.29 | (307.56) | Note 3 |
| | | Trade receivable | September 30, 2022 | 5,012.25 | 5,105.80 | (93.55) | Note 2 |
| | | Inventory | December 31, 2022 | 6,556.06 | 6,778.42 | (222.36) | Note 3 |
| | | Trade receivable | December 31, 2022 | 6,384.88 | 6,369.68 | 15.20 | Note 2 |
| | | Inventory | March 31, 2023 | 6,737.92 | 6,635.53 | 102.39 | Note 3 |
| | | Trade receivable | March 31, 2023 | 6,647.27 | 6,693.91 | (46.64) | Note 2 |

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- Note 1: The difference in inventory is due to goods in transit is considered in quarterly statements filed by the Company which are not included in books of accounts.
- Note 2: The difference in trade receivable is due to non-inclusion of receivable on account of high sea sales in quarterly statements filed by the Company which is included in the books of accounts.
- Note 3: The balance of inventory for the respective period reported in the statement filed with the bank does not include amounts relating to Goods in Transit and certain inventory adjustments which are included as part of inventory as per books of accounts.
- iii. (a) The Company has made investments in two companies by way of equity shares and one company by compulsorily convertible debentures (Also refer Note 18 to the financial statements). The Company has not provided any guarantee or security or granted loans / advances in nature of loans, secured/unsecured, to employees or companies, or firms or limited liability partnerships during the year.
- (b) The Company has not granted secures/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(b) is not applicable to the Company.
- (c) The Company has not granted secures/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(c) is not applicable to the Company.
- (d) The Company has not granted secures/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(d) is not applicable to the Company.
- (e) The Company has not granted secures/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(e) is not applicable to the Company.
- (f) The Company has not granted secures/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(f) is not applicable to the Company.
- 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 Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of sales tax, service tax, duty of customs, duty of excise and value added tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and services tax and other material statutory dues , as applicable, with the appropriate authorities. Also, refer note 42 to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

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- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained (refer note 8 of the financial statement).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that 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 and procedures performed by us, we report that 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 has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard 18 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has entered into non-cash transactions with its directors or persons connected with him, in compliance with the provisions of Section 192 of the Act.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
-

STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| | Note | As at March 31, 2023 | As at March 31, 2022 |
|---|------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 5 | 1,902.77 | 1,902.77 |
| Reserves and surplus | 6 | (5,384.02) | (1,956.90) |
| Total Shareholders' fund | | (3,481.25) | (54.13) |
| Money received against share warrants | 7 | 320.97 | 320.97 |
| Non-current liabilities | | | |
| Long-term borrowings | 8 | 9,041.95 | 9,041.95 |
| Long-term provisions | 10 | 603.50 | 590.85 |
| Other long-term liabilities | 9 | 373.69 | 290.73 |
| Total non-current liabilities | | 10,019.14 | 9,923.53 |
| Current liabilities | | | |
| Short-term Borrowing | 11 | 3,055.04 | 2,183.32 |
| Trade payables | 12 | | |
| Total outstanding dues of micro enterprises and small enterprises; and | | 213.57 | 151.95 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 7,133.18 | 4,654.55 |
| Deferred tax liability (net) | 19 | 0.42 | - |
| Other current liabilities | 13 | 97.02 | 247.81 |
| Short-term provisions | 14 | 306.89 | 270.59 |
| Total current liabilities | | 10,806.12 | 7,508.22 |
| Total | | 17,664.98 | 17,698.59 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 15 | 18.29 | 21.10 |
| Intangible assets | 16 | 20.53 | 0.89 |
| Intangible asset under development | 17 | - | 27.00 |
| Investments | 18 | 1,502.00 | 1,503.00 |
| Deferred tax asset (net) | 19 | - | 2.84 |
| Other non current assets | 20 | 1,131.73 | 1,144.62 |
| Total non-current assets | | 2,672.55 | 2,699.45 |
| Current assets | | | |
| Inventories | 21 | 6,635.53 | 7,808.85 |
| Trade receivables | 22 | 6,693.91 | 5,115.98 |
| Cash and bank balances | 23 | 429.86 | 75.19 |
| Short-term loans and advances | 24 | 1,191.67 | 356.87 |
| Other current assets | 25 | 41.46 | 1,642.25 |
| Total current assets | | 14,992.43 | 14,999.14 |
| Total | | 17,664.98 | 17,698.59 |

Summary of significant accounting policies

4

The accompanying notes are an integral part of the financial statement

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Place: Pune

Date: September 28, 2023

For and on behalf of the Board of Directors of

Amstrad Consumer India Private Limited

(formerly known as OVOT Private Limited)

Nanu Gupta

Chairman and Director

DIN: 00664930

Sanjeev Mittal

Chief Financial Officer

Nipun Singhal

Managing Director and

Chief Executive Officer

DIN: 02026825

Hashmita Saha

Company Secretary

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

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Note | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------|------------------------------|------------------------------|
| REVENUE | | | |
| Revenue from operations | 26 | 25,076.09 | 22,226.62 |
| Other income | 27 | 55.22 | 27.61 |
| Total Revenue | | 25,131.31 | 22,254.23 |
| EXPENSES | | | |
| Purchase of stock-in-trade | 28 | 21,782.63 | 15,001.30 |
| Changes in inventories of stock-in-trade | 29 | 1,173.32 | 4,518.57 |
| Employee benefits expense | 30 | 879.57 | 932.12 |
| Finance costs | 31 | 585.17 | 659.77 |
| Depreciation and amortization expense | 32 | 11.99 | 4.13 |
| Other expenses | 33 | 2,536.02 | 2,914.95 |
| Total expenses | | 26,968.70 | 24,030.84 |
| Loss before exceptional items and tax | | (1,837.39) | (1,776.61) |
| Exceptional items | 37 | (1,586.47) | - |
| Loss before tax | | (3,423.86) | (1,776.61) |
| Tax expense | | | |
| Current tax | | - | - |
| Deferred tax | | (3.26) | 1.19 |
| Total tax expense | | (3.26) | 1.19 |
| Loss for the year | | (3,427.12) | (1,775.42) |
| Loss per equity share: Face value of ₹ 10 per share | 40 | (18.01) | (9.00) |
| Basic | | | |

Summary of significant accounting policies 4

The accompanying notes are an integral part of the financial statement

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Place: Pune

Date: September 28, 2023

**For and on behalf of the Board of Directors of
Amstrad Consumer India Private Limited**

(formerly known as OVOT Private Limited)

Nanu Gupta

Chairman and Director

DIN: 00664930

Sanjeev Mittal

Chief Financial Officer

Nipun Singhal

Managing Director and

Chief Executive Officer

DIN: 02026825

Hashmita Saha

Company Secretary

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| A Cash flow from operating activities | | |
| (Loss) before tax | (3,423.86) | (1,776.61) |
| Adjustments for: | | |
| Depreciation and amortisation expense | 11.99 | 4.13 |
| Write of in value of investment due to winding up of subsidiary | 0.82 | - |
| Finance costs | 585.17 | 659.77 |
| Interest income on bank deposits | (43.46) | (24.82) |
| Unrealised foreign exchange (gain)/loss (net) | (4.43) | (4.15) |
| Operating (Loss) before working capital changes | (2,873.77) | (1,141.68) |
| Changes in working capital: | | |
| Increase in other long-term liabilities | 82.96 | 118.37 |
| Increase / (decrease) in trade payables | 2,544.68 | (3,462.23) |
| (Decrease) in other current liabilities | (150.79) | (975.60) |
| Increase / (decrease) in provisions | 48.95 | (14.75) |
| Decrease in inventories | 1,173.32 | 4,627.48 |
| (Increase) / decrease in trade receivables | (1,577.93) | 438.59 |
| (Increase) / decrease in loans and advances | (834.80) | 1,613.89 |
| Decrease / (increase) in other assets | 1,607.67 | (17.96) |
| Cash generated from /used in operations | 20.29 | 1,186.11 |
| Income taxes paid (net of refunds) | 23.31 | (26.61) |
| Net cash generated from operating activities (A) | 43.60 | 1,159.50 |
| B Cash flow from investing activities | | |
| Purchase of property, plant and equipment, intangible assets and assets under development | (1.82) | (23.21) |
| Investment in wholly owned subsidiaries | - | (1,200.00) |
| Proceeds from/(Investment in) fixed deposits | (17.21) | 65.01 |
| Interest received on bank deposits | 43.55 | 24.90 |
| Net cash generated from / used in investing activities (B) | 24.52 | (1,133.30) |
| C Cash flow from financing activities | | |
| Proceeds from issue of equity shares | - | 0.33 |
| Proceeds from issue of share warrants | - | 5.45 |
| Proceeds from long term borrowings | 2,900.00 | - |
| Repayment of long term borrowings | (2,900.00) | - |
| Proceeds from Short term borrowings (net) | 871.72 | 439.63 |
| Finance costs paid | (585.17) | (659.77) |
| Net cash used in / generated from financing activities (C) | 286.55 | (214.36) |
| Net decrease in cash and cash equivalents [A + B + C] | 354.67 | (188.16) |
| Cash and cash equivalents at the beginning of the year (refer note 18) | 75.19 | 263.35 |
| Cash and cash equivalents at the end of the year (refer note 18) | 429.86 | 75.19 |

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Cash and cash equivalents comprise of: | | |
| Bank balances: | | |
| In current accounts | 429.86 | 75.19 |
| Demand deposits (less than 3 months maturity) | | - |
| Total | 429.86 | 75.19 |

Summary of significant accounting policies 4

The accompanying notes are an integral part of the financial statement

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Place: Pune

Date: September 28, 2023

**For and on behalf of the Board of Directors of
Amstrad Consumer India Private Limited**

(formerly known as OVOT Private Limited)

Nanu Gupta

Chairman and Director

DIN: 00664930

Sanjeev Mittal

Chief Financial Officer

Nipun Singhal

Managing Director and

Chief Executive Officer

DIN: 02026825

Hashmita Saha

Company Secretary

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

1 Background

Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) (“the Company”) is domiciled in Pune, Maharashtra, India and is incorporated on September 27, 2018 under the provisions of the Companies Act, 2013. The Company is engaged in business of trading and distribution of consumer durable products/ home appliances viz. Air Conditioners, Televisions, Washing Machines, Iron, Dryers etc. The Company sells its products primarily in India through its distribution network and independent retail chains.

The address of its registered office is Office No. Plot No. F-3, MIDC, Supa-Parner, Ahmednagar 414301, Maharashtra, India. The CIN of the Company is U31100PN2018PTC179173

2 Basis of preparation of financial statements

A These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis, except for certain tangible assets which are being carried at revalued amounts. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Companies Act, 2013.

B Current – non- current classification

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company’s normal operating cycle;

- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in the company normal operating cycle;
- (b) It is held primarily for the purpose of being traded;
- (c) It is due to be settled within 12 months after the reporting date; or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company’s normal operating cycle is 12 months

3 Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

policies and reported amounts of assets, liabilities, income, expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

4 Summary of Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

4.01 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition, construction and installation of the property, plant and equipment. Borrowing costs directly attributable to acquisition or construction of property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use are capitalised. Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation is provided on pro-rata basis i.e. from the date on which asset is ready to use.

Useful lives/ depreciation rates:

Depreciation on property, plant and equipment is provided on written down value method, from the date on which the asset is ready for use, based on useful life as prescribed by Schedule II to the Companies Act, 2013 as below:

| Asset Category | Estimated Useful life (In years) |
|-------------------------------------|-------------------------------------|
| Office equipment | 5 |
| Furniture | 10 |
| Vehicles | 10 |
| Computers (desktops, laptops, etc.) | 3 |

4.02 Intangible fixed assets

Intangible fixed assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets consisting of software is amortised on straight line basis over the estimated economic useful life of three years, based on management estimate.

4.03 Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised with a corresponding liability; at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. The payment of minimum lease payments is apportioned between finance charges, which are recognized as an interest expense in the Statement of Profit and Loss and reduction in lease obligations, recorded at the inception of the lease.

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term.

4.04 Inventories

Inventories which comprise traded goods are carried at lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, Weighted Average Cost method is used.

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

Demo stock is written off 100% in year of Purchase itself. Goods in transit are stated at purchase cost.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

4.05 Revenue Recognition

Revenue from sales of products is recognised on transfer of all significant risks and rewards of ownership to the buyer. Revenue from services is recognised when the service is rendered. Revenues from sales of products and services are stated exclusive of trade discounts, rebates and goods and services tax (GST).

4.06 Employee benefits

a Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

b Defined contribution plans

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

c Long term employee benefits

Long term employee benefits comprise compensated absences and other employee incentives. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

4.07 Impairment

The carrying amounts of the Company's assets including intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indications exist, the assets recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reinstated at the recoverable amount subject to a maximum of depreciable historical cost.

4.08 Foreign currency transactions

Transactions denominated in foreign currency are recorded at rates that approximate the exchange rate prevailing on the date of the respective transaction.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year. Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

4.09 Taxation

Income-tax expense comprises current tax and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that they will be realised in future. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

4.10 Earnings per share (EPS)

Basic earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

4.11 Provisions and Contingencies

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

4.12 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.”

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

5. EQUITY SHARE CAPITAL

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Authorised capital | | |
| 2,50,00,000 (March 31, 2022: 2,50,00,000) equity shares of ₹10 each | 2,500.00 | 2,500.00 |
| | 2,500.00 | 2,500.00 |
| Issued, subscribed and fully paid-up | | |
| 1,90,27,709 (March 31, 2022: 1,90,27,709) equity shares of ₹10 each | 1,902.77 | 1,902.77 |
| Total | 1,902.77 | 1,902.77 |

(a) Reconciliation of number of shares:

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|-----------------|----------------------|-----------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Outstanding shares at the beginning of the year | 1,90,27,709 | 1,902.77 | 1,90,27,709 | 1,902.77 |
| Add: Issued during the year | - | - | - | - |
| Outstanding shares at the end of the year | 1,90,27,709 | 1,902.77 | 1,90,27,709 | 1,902.77 |

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

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

There are no issue of bonus shares, shares issued for consideration other than cash, and shares bought back during the year. Further, the Company has not declared dividend during the year.

(c) Shares held by directors, holding company and its subsidiary

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|-------------------|----------------------|-------------------|
| | No. of Shares | % of total shares | No. of Shares | % of total shares |
| Equity Shares of Rs.10 each fully paid up held by | | | | |
| Nilesh Nanu Gupta | 17,12,500 | 9.00% | 17,12,500 | 9.00% |

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|-------------------|----------------------|-------------------|
| | No. of Shares | % of total shares | No. of Shares | % of total shares |
| Equity Shares of Rs.10 each fully paid up held by | | | | |
| Nilesh Nanu Gupta | 17,12,500 | 9.00% | 17,12,500 | 9.00% |
| Ashish Nanu Gupta | 17,12,500 | 9.00% | 17,12,500 | 9.00% |
| Sidhant Singhal | 32,10,000 | 16.87% | 32,10,000 | 16.87% |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

5. EQUITY SHARE CAPITAL (CONTD..)

(e) Shares reserved for issue under options

The Board of Directors of Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) vide its resolution dated November 11, 2019 approved the Employee Stock Option Scheme 2019" (ESOP 2019) and the same has been approved by the shareholders on December 27, 2019 for granting Employee Stock Options (ESO) in the form of equity shares and warrants to the eligible employees of the Company. ESOP 2019 is valid till December 31, 2023.

Warrants shall be converted into equity shares as per the valuation done by registered valuer under the Companies Act or other applicable laws at the time of conversion of ESO Warrants, provided that each warrant should get one equity share per warrant. ESO Warrants shall be converted on December 31, 2023 or as per applicable laws.

The Vesting Period shall be period of 12 months from January 1 to December 31 every year till December 31, 2023. Vesting of options would be subject to continued employment with the Company. In the event of Resignation by the employee, before completion of the Vesting Period, all Options granted to an employee shall expire and the Employee shall not be eligible for any shares / warrants under the Scheme.

As at March 31, 2023, Nil options (March 31, 2022 - 6,003 options) were granted to the eligible employees. These options will vest on December 31, 2023. The options were granted during the previous year at fair value of ₹ 990 per option. Under each option employee is entitled to 3 equity shares of face value ₹ 10 each and 8 warrants of face value ₹ 120 each of the Company. Fair value of equity shares granted under the scheme to the employees of the Company during the previous year was ₹ 8.40 per share.

(f) Shares reserved for issue under options

The Company is a professionally managed company and does not have an identifiable promoter in terms of the Companies Act, 2013 and consequently, does not have a promoter group.

6. RESERVES AND SURPLUS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Retained earnings | | |
| Balance as at the beginning of the year | (1,956.90) | (181.48) |
| Add : Loss for the year | (3,427.12) | (1,775.42) |
| Balance as at the end of the year | (5,384.02) | (1,956.90) |
| Total | (5,384.02) | (1,956.90) |

Nature and purpose of reserve

Retained earnings

Retained earnings represent the cumulative profits/(losses) of the Company. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

7. MONEY RECEIVED AGAINST SHARE WARRANTS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Outstanding balance at the beginning of the year | 320.97 | 315.52 |
| Money received against share warrants | - | 5.45 |
| Outstanding balance at the end of the year (refer note a and b below) | 320.97 | 320.97 |

Note (a): Terms and conditions for share warrants issued to BCCL:

The Company has entered into a Warrant Subscription Agreement ('SWA' or 'the Agreement') dated October 25, 2019 with Bennett, Coleman and Company Limited ("BCCL"). As per the terms of the Agreement, BCCL had agreed to purchase five share warrants of the Company at an agreed consideration of ₹ 1950.00 lakhs at issue price of ₹ 390.00 lakhs per share warrant. BCCL had subscribed the warrants by way of payment of 10% of the total value of share warrants as initial subscription amount aggregating to ₹ 195.00 lakhs (March 31, 2022: ₹ 195.00 lakhs). These warrants shall be converted into equity share capital of the Company at the Price which would be lower of : ₹ 122 per share or it will be based on 80% of revenue as per audited financials for the year ending March 31, 2021 ('the Conversion Price').

Note (b): Terms and conditions for ESO warrants issued to employees:

The Company had issued 1,38,858 warrants (March 31, 2022: 1,38,858 warrants) at subscription price as mentioned in the Employee Stock Option Scheme 2019 ('the ESOP Plan') aggregating to ₹ 125.97 lakhs (March 31, 2022: ₹ 125.97 lakhs) to its employees under the ESOP Plan. The details of the terms and conditions of such ESO warrants has been explained in Note 5(e) above.

8. LONG-TERM BORROWINGS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Unsecured: | | |
| Compulsorily Convertible debentures | | |
| 87,01,000 (March 31, 2022 : 87,01,000) 0% Compulsorily Convertible Debentures of ₹ 85 each (refer note below) | 7,395.85 | 7,395.85 |
| 18,29,000 (March 31, 2022 : 18,29,000) 0% Compulsorily Convertible Debentures of ₹ 90 each (refer note below) | 1,646.10 | 1,646.10 |
| Total | 9,041.95 | 9,041.95 |

Note (a): Terms and conditions of Compulsorily Convertible Debentures (CCDs):

The Company has issued 87,01,000 and 18,29,000 0% Compulsorily Convertible Debentures (CCDs) in the previous years with face value of ₹ 85 and ₹ 90 each respectively. Each CCD is convertible into such number of equity shares as may be determined based on the valuation of equity shares as on the date of conversion subject to minimum of one equity share of face value of ₹ 10 each. These new equity shares issued on conversion of CCD's will rank pari passu in all respects with existing issued and subscribed Equity Shares of the Company subject to Memorandum and Articles of Association of the Company.

Subsequent to the year end, the Company has converted these CCDs into equity shares post receipt of all the required approvals.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

9. OTHER LONG-TERM LIABILITIES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------|-------------------------|-------------------------|
| Other payables | 373.69 | 290.73 |
| Total | 373.69 | 290.73 |

10. LONG-TERM PROVISIONS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------------------|-------------------------|-------------------------|
| Provision for Gratuity | - | - |
| Provision for Warranty | 603.50 | 590.85 |
| Total | 603.50 | 590.85 |

Note (a) : Provision for product warranties

Provision for warranties is recognised on the basis of actuarial computations expected warranty claims on products sold by the Company. Warranty claims are expected to be settled over the warranty period ranging from 1 to 10 years based on category and nature of products. Assumptions used to calculate the provision for warranties were based on current and previous year sales level and the failure trend in respect of defective products.

Provision for warranty is disclosed as net of amounts expected reimbursement from vendors amounting to ₹ 211.85 lakhs (March 31, 2022 : ₹ 73.27 lakhs).

Movement in provision for warranty:

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Balance as at the beginning of the year | 861.44 | 833.49 |
| Addition during the year | 447.06 | 393.44 |
| Utilised during the year | (398.11) | (365.49) |
| Balance as at the end of the year | 910.39 | 861.44 |
| Classified as long-term provision | 603.50 | 590.85 |
| Classified as short-term provision | 306.89 | 270.59 |

11. SHORT TERM BORROWINGS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Secured: | | |
| Working capital loans repayable on demand from banks (refer note i below) | 1,183.46 | 1,299.21 |
| Bank overdraft (refer note 2 below) | 1,871.58 | 884.11 |
| Total | 3,055.04 | 2,183.32 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

11. SHORT TERM BORROWINGS (CONTD..)

Note i: Working capital demand loans from banks are secured by hypothecation of current assets both present and future as primary charge and by hypothecation of movable property, plant and equipment as collateral charge. The facility is further secured by way of personal guarantee from Mr. Nipun Singhal. Working Capital Demand Loan is generally taken for a period of less than 365 days and carries interest @ one year MCLR. p.a.

Note ii: Bank overdraft are secured by hypothecation of current assets both present and future as primary charge and by hypothecation of movable property, plant and equipment as collateral charge. The facility is further secured by way of personal guarantee from Mr. Nipun Singhal. This facility carries interest @ one year MCLR p.a.

12. TRADE PAYABLES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Current | | |
| Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises (refer note i below); and | 213.57 | 151.95 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 7,133.18 | 4,654.55 |
| Total | 7,346.75 | 4,806.50 |
| Break up of payable balances | | |
| Payable to related parties (refer note 35) | 96.33 | 79.41 |
| Acceptances | 4,106.32 | 3,422.54 |
| Others payables | 3,144.10 | 1,304.55 |
| Total | 7,346.75 | 4,806.50 |

Note i: The identification of micro, small and medium enterprises is based on the information of their registration status available with the management. The Company has certain dues to suppliers registered under MSMED Act. The disclosures pursuant to the said MSMED Act are as follows:

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at year end | 213.57 | 151.95 |
| Interest due to suppliers under MSMED Act and remaining unpaid as at year end* | 1.34 | - |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | 5.46 | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

12. TRADE PAYABLES (CONTD..)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| 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 MSMED Act | 1.34 | - |
| Interest accrued and remaining unpaid at the end of the accounting year* | 1.34 | - |
| Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act | - | - |

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent of ₹1.34 lakhs (March 31, 2022: ₹ Nil lakhs). The same has been accrued in the books of accounts of the Company subsequently company has discharged its liability.

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the suppliers/information available with the Company regarding their status under MSMED Act, 2006

The trade payables ageing schedule for the year ended as on March 31, 2023 is as follow:

| Particulars | Unbilled | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---------------------------|---------------|-----------------|---------------------|-----------|-----------|----------------------|-----------------|
| 1) MSME - Undisputed | 1.34 | 196.24 | 15.99 | - | - | - | 213.57 |
| 2) Others - Undisputed | 139.69 | 5,835.90 | 1,157.39 | - | - | - | 7,133.18 |
| 3) Disputed dues - MSME | - | - | - | - | - | - | - |
| 4) Disputed dues - Others | - | - | - | - | - | - | - |
| Total | 141.03 | 6,032.14 | 1,173.58 | - | - | - | 7,346.75 |

The trade payables ageing schedule for the year ended as on March 31, 2022 is as follow:

| Particulars | Unbilled | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---------------------------|----------|---------|---------------------|-----------|-----------|----------------------|-----------------|
| 1) MSME - Undisputed | - | - | 151.95 | - | - | - | 151.95 |
| 2) Others - Undisputed | - | - | 4,654.55 | - | - | - | 4,654.55 |
| 3) Disputed dues - MSME | - | - | - | - | - | - | - |
| 4) Disputed dues - Others | - | - | - | - | - | - | - |
| Total | - | - | 4,806.50 | - | - | - | 4,806.50 |

13. OTHER CURRENT LIABILITIES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------|-------------------------|-------------------------|
| Advances from customers | 14.99 | 164.32 |
| Employee benefits payable | 19.63 | 19.67 |
| Statutory dues payable | 62.40 | 63.82 |
| Total | 97.02 | 247.81 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

14. SHORT-TERM PROVISIONS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Provision for employee benefits (refer note 34) | | |
| Provision for gratuity | - | - |
| Other provisions | | |
| Provision for warranty (refer note 10) | 306.89 | 270.59 |
| Total | 306.89 | 270.59 |

15. PROPERTY, PLANT AND EQUIPMENT (REFER NOTE I AND II BELOW)

| Particulars | Gross block (at cost) | | | | Depreciation | | | | Net book value | |
|------------------------|-----------------------------|---------------------------|---------------------------|------------------------------|-----------------------------|---------------------|---------------------------|------------------------------|----------------------|----------------------|
| | Balance as on April 1, 2022 | Additions during the year | Deletions during the year | Balance as on March 31, 2023 | Balance as on April 1, 2022 | Charge for the year | Deletions during the year | Balance as on March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 |
| | March 31, 2023 | | | | | | | | | |
| Furniture and fixtures | 12.30 | - | - | 12.30 | 1.23 | 1.23 | - | 2.46 | 11.07 | 9.84 |
| Computer equipment | 5.11 | 0.54 | - | 5.65 | 3.01 | 1.35 | - | 4.36 | 2.10 | 1.29 |
| Office equipment | 9.56 | 1.28 | - | 10.84 | 1.93 | 2.01 | - | 3.94 | 7.63 | 6.90 |
| Vehicles | 0.43 | - | - | 0.43 | 0.13 | 0.04 | - | 0.17 | 0.30 | 0.26 |
| Total | 27.40 | 1.82 | - | 29.22 | 6.30 | 4.63 | - | 10.93 | 21.10 | 18.29 |

| Particulars | Gross block (at cost) | | | | Depreciation | | | | Net book value | |
|------------------------|-----------------------------|---------------------------|---------------------------|------------------------------|-----------------------------|---------------------|---------------------------|------------------------------|----------------------|----------------------|
| | Balance as on April 1, 2021 | Additions during the year | Deletions during the year | Balance as on March 31, 2022 | Balance as on April 1, 2021 | Charge for the year | Deletions during the year | Balance as on March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 |
| | March 31, 2022 | | | | | | | | | |
| Furniture and fixtures | 8.47 | 3.83 | - | 12.30 | 0.29 | 0.94 | - | 1.23 | 8.18 | 11.07 |
| Computer equipment | 4.43 | 0.68 | - | 5.11 | 1.52 | 1.49 | - | 3.01 | 2.91 | 2.10 |
| Office equipment | 3.11 | 6.45 | - | 9.56 | 0.39 | 1.54 | - | 1.93 | 2.72 | 7.63 |
| Vehicles | 0.43 | - | - | 0.43 | 0.09 | 0.04 | - | 0.13 | 0.34 | 0.30 |
| Total | 16.44 | 10.96 | - | 27.40 | 2.29 | 4.01 | - | 6.30 | 14.15 | 21.10 |

Note i: The Company does not have any immovable properties owned by the Company. The leasehold agreement executed in the favour of the Company.

Note ii: There are no proceedings initiated against the Company for holding any Benami Property under Benami Transaction (Prohibition) Act 1988 (45 of 1988) and rules made thereunder.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

16. INTANGIBLE ASSETS

| Particulars | Gross block (at cost) | | | | Depreciation | | | | Net book value | |
|--------------|-----------------------------|---------------------------|---------------------------|------------------------------|-----------------------------|---------------------|---------------------------|------------------------------|----------------------|----------------------|
| | Balance as on April 1, 2022 | Additions during the year | Deletions during the year | Balance as on March 31, 2023 | Balance as on April 1, 2022 | Charge for the year | Deletions during the year | Balance as on March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 |
| | Softwares | 2.49 | 27.00 | - | 29.49 | 1.60 | 7.36 | - | 8.96 | 0.89 |
| Total | 2.49 | 27.00 | - | 29.49 | 1.60 | 7.36 | - | 8.96 | 0.89 | 20.53 |

| Particulars | Gross block (at cost) | | | | Depreciation | | | | Net book value | |
|--------------|-----------------------------|---------------------------|---------------------------|------------------------------|-----------------------------|---------------------|---------------------------|------------------------------|----------------------|----------------------|
| | Balance as on April 1, 2021 | Additions during the year | Deletions during the year | Balance as on March 31, 2022 | Balance as on April 1, 2021 | Charge for the year | Deletions during the year | Balance as on March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 |
| | Softwares | 2.49 | - | - | 2.49 | 1.48 | 0.12 | - | 1.60 | 1.01 |
| Total | 2.49 | - | - | 2.49 | 1.48 | 0.12 | - | 1.60 | 1.01 | 0.89 |

17. INTANGIBLE ASSETS UNDER DEVELOPMENT (REFER NOTE I BELOW)

| Particulars | As at March 31, 2022 | | | | As at March 31, 2023 | | | |
|--------------|-----------------------------|---------------------------|-----------------------------|------------------------------|-----------------------------|---------------------------|-----------------------------|------------------------------|
| | Balance as on April 1, 2021 | Additions during the year | Capitalised during the year | Balance as on March 31, 2022 | Balance as on April 1, 2022 | Additions during the year | Capitalised during the year | Balance as on March 31, 2023 |
| Softwares | 2.49 | 27.00 | - | 29.49 | 1.60 | 7.36 | - | 8.96 |
| Total | 2.49 | 27.00 | - | 29.49 | 1.60 | 7.36 | - | 8.96 |

Note (i): The Company does not have any Intangible asset under development or capital work-in-progress as at March 31, 2023. Further there were no material overdues or projects where actual cost has exceeded as compared to cost as per original plan as at March 31, 2022. The Company evaluates the completion of projects based on its original plan, which are monitored on an ongoing basis.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

18. INVESTMENTS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Non-current investments | | |
| Unquoted equity investments (valued at cost or NRV whichever is lower) | | |
| Investment in subsidiaries: | | |
| 10,000 equity shares (March 31, 2022 : 10,000) of ₹ 10 each fully paid-up held in Amstrad Consumer Products Private Limited | 1.00 | 1.00 |
| 10,000 equity shares (March 31, 2022: 10,000) of ₹ 10 each fully paid-up held in Next Generation Consumer Products Private Limited | - | 1.00 |
| 10,000 equity shares (March 31, 2022 : 10,000) of ₹ 10 each fully paid-up held in Next Generation Manufacturers Private Limited | 1.00 | 1.00 |
| | 2.00 | 3.00 |
| Unquoted compulsorily convertible debentures (valued at cost or NRV whichever is lower) | | |
| Investment in subsidiaries: | | |
| 1,50,000 0% CCD's (March 31, 2022 : 1,50,000) of Rs. 1000 each fully paid-up held in Next Generation Manufacturers Private Limited | 1,500.00 | 1,500.00 |
| | 1,500.00 | 1,500.00 |
| Total | 1,502.00 | 1,503.00 |

19. DEFERRED TAX (NET)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Deferred tax liability | | |
| On excess of depreciation on property, plant and equipment provided in books of account over depreciation | (0.42) | 1.90 |
| Expenditure covered by section 43B of Income-tax Act, 1961 | - | 0.94 |
| Net deferred tax asset / (liability) (net)* | (0.42) | 2.84 |

*On prudent basis deferred tax asset has not been recognised by the Company in the books of accounts.

20. OTHER NON-CURRENT ASSETS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Security deposits | 211.08 | 217.87 |
| Deposits with original maturity more than 12 months* | 900.98 | 883.77 |
| Advance income tax (net) | 19.67 | 42.98 |
| Total | 1,131.73 | 1,144.62 |

* Held under lien against letter of credit issued by bank.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

21. INVENTORIES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Traded goods (includes in transit : ₹ 1,048.33; March 31, 2022 : ₹ 639.46) | 6,635.53 | 7,808.85 |
| Total | 6,635.53 | 7,808.85 |

Inventories are valued at cost or net realisable value, whichever is lower.

For year ended March 31, 2023, write down of inventories to net realisable value amounted to ₹ Nil lakhs (March 31, 2022: ₹ Nil lakhs).

Break up of inventory

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------|-------------------------|-------------------------|
| Traded goods | | |
| Air conditioners | 2,011.20 | 2,514.76 |
| LED TV | 740.71 | 1,544.57 |
| Washing Machine | 183.51 | 291.19 |
| Other Product | 63.32 | 167.71 |
| Components & Spare Parts | 3,636.79 | 3,290.62 |
| Total | 6,635.53 | 7,808.85 |

22. TRADE RECEIVABLES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Outstanding for a period less than 6 months from the date they are due for payment | 6,449.09 | 4,963.84 |
| Outstanding for a period exceeding 6 months from the date they are due for payment | 244.82 | 152.14 |
| | 6,693.91 | 5,115.98 |
| Unsecured, considered doubtful | | |
| Outstanding for a period less than 6 months from the date they are due for payment | - | - |
| Outstanding for a period exceeding 6 months from the date they are due for payment | - | - |
| | - | - |
| Break up of balance receivable | | |
| - from related parties (refer note 35) | 4,905.41 | 2,830.14 |
| - from others | 1,788.50 | 2,285.84 |
| | 6,693.91 | 5,115.98 |
| Total | 6,693.91 | 5,115.98 |

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

22. TRADE RECEIVABLES (CONTD..)

The trade receivables ageing schedule for the year ended as on March 31, 2023 is as follow:

| Particulars | Not Due | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-------------------------------------|-----------------|--------------------|-----------------|--------------|--------------|-------------------|-----------------|
| Undisputed Trade Receivables | | | | | | | |
| Considered Good | 5,646.34 | 802.75 | 200.95 | 13.85 | 30.02 | - | 6,693.91 |
| Considered Doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables | | | | | | | |
| Considered Good | - | - | - | - | - | - | - |
| Considered Doubtful | - | - | - | - | - | - | - |
| Total | 5,646.34 | 802.75 | 200.95 | 13.85 | 30.02 | - | 6,693.91 |

The trade receivables ageing schedule for the year ended as on March 31, 2022 is as follow:

| Particulars | Not Due | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-------------------------------------|-----------------|--------------------|-----------------|--------------|-------------|-------------------|-----------------|
| Undisputed Trade Receivables | | | | | | | |
| Considered Good | 4,026.51 | 937.33 | 81.25 | 66.12 | 4.77 | - | 5,115.98 |
| Considered Doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables | | | | | | | |
| Considered Good | - | - | - | - | - | - | - |
| Considered Doubtful | - | - | - | - | - | - | - |
| Total | 4,026.51 | 937.33 | 81.25 | 66.12 | 4.77 | - | 5,115.98 |

23. CASH AND BANK BALANCES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------|----------------------|----------------------|
| Bank Balances | | |
| In current accounts | 429.86 | 75.19 |
| Total | 429.86 | 75.19 |

* Held under lien against letter of credit issued by bank.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

24. SHORT-TERMS LOANS AND ADVANCES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------|-------------------------|-------------------------|
| Unsecured considered good | | |
| Advance to suppliers | 441.74 | 18.62 |
| Advance to employees | 6.66 | 8.99 |
| Prepaid expenses | 10.55 | 17.85 |
| Balance with government authorities | 732.72 | 311.41 |
| Total | 1,191.67 | 356.87 |

25. OTHER CURRENT ASSETS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured, considered good: | | |
| Interest accrued on deposits with banks | 2.13 | 2.04 |
| Security deposits | 36.50 | 50.92 |
| Other receivables | 1,589.30 | 1,589.29 |
| Less: Provision against doubtful receivable (refer note 37) (refer note i below) | (1,586.47) | - |
| | 2.83 | 1,589.29 |
| Total | 41.46 | 1,642.25 |

Note i: On February 16, 2019, inventory lying at one of the warehouses of the Company, having carrying amount of ₹ 1,254.97 lakhs was destroyed on account of fire at warehouse. The Company had recognized the same as "Loss on account of goods destroyed by fire at warehouse" of ₹ 1,606.08 lakhs and credited "Inventories" by ₹ 1,254.97 lakhs and credited the balance amount under the head "Balance with government authorities" by ₹ 351.11 (for IGST credit reversal). As per agreement with Seawaves Logistics Private Limited (acting forwarding agent of the Company, who handles / manages inventory at the warehouse), the claim is recoverable from them, for which they have given a confirmation as at March 31, 2022 and accordingly the Company had shown the same as receivable under "Other current assets". During the previous years, the Company had recovered an amount of ₹ 19.61 lakhs by way of sale of scrap and the net receivable as on March 31, 2022 is ₹ 1,586.47 lakhs. During the year, the management has recorded a provision for the same on account of significant delay in the settlement of the claim and confirmations from the Seawaves Logistics Private Limited stating the fact that claim is live and shall be paid subject to approval by the Insurance Company. Further, a letter has been submitted by Seawaves Logistics Private Limited to Insurance Company to pay the claim amount directly to the Company on approval of the claim.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

26. REVENUE FROM OPERATIONS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|------------------------------------|------------------------------|------------------------------|
| Sale of products | | |
| Traded goods | 25,418.85 | 22,448.73 |
| Less: Interest subvention expenses | 342.76 | 222.11 |
| Total | 25,076.09 | 22,226.62 |

Product wise break up of sale of products

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Air conditioners | 9,979.79 | 11,158.37 |
| LED TV | 11,447.23 | 7,357.37 |
| Washing machine | 1,833.67 | 1,257.28 |
| Components, spare parts & other products | 1,815.40 | 2,453.60 |
| Total | 25,076.09 | 22,226.62 |

Geography wise break up of sale of products

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------|------------------------------|------------------------------|
| India | 25,076.09 | 22,226.62 |
| Outside India | - | - |
| Total | 25,076.09 | 22,226.62 |

27. OTHER INCOME

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Interest income on bank deposits | 43.46 | 24.82 |
| Interest on income tax refund | - | 0.04 |
| Interest received from customers on delayed payment | 8.13 | 2.75 |
| Miscellaneous income | 3.63 | - |
| Total | 55.22 | 27.61 |

28. PURCHASE OF STOCK-IN-TRADE

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-----------------------------|------------------------------|------------------------------|
| Purchases of stock-in-trade | 21,782.63 | 15,001.30 |
| Total | 21,782.63 | 15,001.30 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

28. PURCHASE OF STOCK-IN-TRADE (CONTD..)

Product wise break up of purchase of stock in trade

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Air conditioners | 4,807.63 | 4,497.92 |
| LED TV | 10,360.80 | 8,357.74 |
| Washing machine | 1,526.16 | 372.40 |
| Components, spare parts & other products | 5,088.04 | 1,773.24 |
| Total | 21,782.63 | 15,001.30 |

29. CHANGES IN INVENTORY OF STOCK-IN-TRADE

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Decrease in stocks | | |
| Stock at the end of the year (A) | 6,635.53 | 7,808.85 |
| Less: Stock at the beginning of the year (B) | 7,808.85 | 12,327.42 |
| Decrease in Stocks (B-A) | 1,173.32 | 4,518.57 |

30. EMPLOYEE BENEFIT EXPENSE

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Salaries, Wages and Bonus | 835.27 | 886.81 |
| Contribution to provident and other funds (refer note 32) | 25.71 | 30.88 |
| Gratuity expense (refer note 32) | (1.86) | 8.11 |
| Staff welfare expenses | 20.45 | 6.32 |
| Total | 879.57 | 932.12 |

31. FINANCE COSTS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Interest on late payment of TDS | - | 0.19 |
| Interest on custom duty | 67.08 | 7.35 |
| Interest expenses | 329.57 | 393.32 |
| Interest expenses intercompany loan (refer note 35) | 69.08 | 185.86 |
| Bank charges | 119.44 | 73.05 |
| Total | 585.17 | 659.77 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

32. DEPRECIATION AND AMORTISATION EXPENSE

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Depreciation property, plant and equipment (refer note 15) | 4.63 | 4.01 |
| Amortisation of intangible assets (refer note 16) | 7.36 | 0.12 |
| Total | 11.99 | 4.13 |

33. OTHER EXPENSES (REFER NOTE I BELOW)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Rent (refer note ii below) | 149.99 | 230.02 |
| Repairs and maintenance | 7.87 | 3.77 |
| Insurance | 33.47 | 43.30 |
| Rates and taxes | 34.24 | 23.42 |
| Cash Discount | 15.27 | 141.15 |
| Travelling expenses | 168.40 | 126.77 |
| Electricity expenses | 4.85 | 6.06 |
| Payment to Auditor: | | |
| Statutory audit fee | 13.50 | 10.45 |
| Tax audit fee | 1.00 | 1.00 |
| Legal and professional fees | 45.81 | 59.56 |
| Printing and stationery | 5.81 | 3.08 |
| Advertisement and publicity expenses | 537.56 | 823.51 |
| Business promotion expenses | 55.23 | 30.02 |
| Write of in value of investment due to winding up of subsidiary | 0.82 | - |
| Freight outward expenses | 559.06 | 489.66 |
| Demo and Installation expenses (net) | 231.26 | 227.82 |
| Service and Warranty expenses | 447.06 | 393.44 |
| Net loss on foreign currency transaction and translation | 31.87 | 24.63 |
| Miscellaneous expenses | 192.95 | 277.29 |
| Total | 2,536.02 | 2,914.95 |

Note i: Provision of section 135 of the Companies Act, 2013, related to Corporate Social responsibility is not applicable to the Company.

Note ii: With respect to the operating leases, the Company has operating lease arrangements for their office and warehouse premises, which are cancellable leases. These lease arrangements are for a period of 5 years, which are renewable for further period on mutually agreeable terms and also include escalation clauses.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

34. EMPLOYEE BENEFITS

The Company has classified various benefits provided to employees as under:

(a) Defined Contribution Plans :

The Company makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

During the year, the Company has recognized the following amounts in the statement of profit and loss:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Contribution to provident and other funds | 25.71 | 30.88 |
| Total | 25.71 | 30.88 |

(b) Defined Benefit Plans :

Gratuity: The Company operates a post-employment defined benefit plan that provide gratuity benefit. Gratuity is applicable to all permanent and full time employees of the Company and paid out is based on last drawn basic salary at the time of termination or retirement. The scheme takes into account each completed year of service or part thereof in excess of six months. The normal age of retirement is 60 years (based on company's discretion for each employee) and the entire contribution is borne by the Company. The actuarial valuation is done based on "Projected Unit Credit Method

Following figures are as per actuarial valuation, as at the Balance Sheet date, carried out by an independent actuary.

(i) Change in the present value of defined benefit obligation

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------------------------------|------------------------------|------------------------------|
| Balance at the beginning of the year | 41.42 | 30.74 |
| Current service cost | 22.67 | 23.57 |
| Interest cost | 2.98 | 2.11 |
| Benefits Paid | - | (0.25) |
| Actuarial gain | (23.67) | (14.75) |
| Balance at the end of the year | 43.40 | 41.42 |

(ii) Change in the fair value of plan assets

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Balance at the beginning of the year | 46.51 | 33.31 |
| Expected returns on plan assets | 3.76 | 2.41 |
| Actuarial gains / (losses) | 0.08 | 0.42 |
| Contribution paid by the employer | 10.66 | 11.72 |
| Mortality charges and taxes | (0.92) | (1.10) |
| Benefits paid | - | (0.25) |
| Balance at the end of the year | 60.09 | 46.51 |
| Actual return on plan assets | 3.84 | 2.83 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

34. EMPLOYEE BENEFITS (CONTD..)

(iii) **Assets and Liabilities recognized in the Balance Sheet:**

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Present value of defined benefit obligation | 43.40 | 41.42 |
| Less: Fair value of plan assets | (60.09) | (46.51) |
| Net liability recognised in the Balance sheet | - | - |
| Current liability | - | - |
| Non-current liability | - | - |
| Total | - | - |

*Surplus asset is not recognised in books of accounts

(iv) **Expenses / (Income) recognized in the Statement of Profit and Loss:**

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------------|------------------------------|------------------------------|
| Current service cost | 22.67 | 23.57 |
| Interest cost | 2.98 | 2.11 |
| Expected return on plan assets | (3.76) | (2.41) |
| Net Actuarial (gain)/ losses | (23.75) | (15.17) |
| Total Expenses | (1.86) | 8.11 |

(v) **Actuarial Assumptions:**

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Discount Rate | 7.50% | 7.20% |
| Expected Rate of Return on Plan Assets | 7.00% | 7.25% |
| Salary Growth | 7.00% | 7.00% |
| Attrition Rate | 0-30 Years: 10% | 0-30 Years: 10% |
| | 31-35 Years: 8% | 31-35 Years: 8% |
| | 36-45 Years: 6% | 36-45 Years: 6% |
| | 45-55 Years: 4% | 45-55 Years: 4% |
| | Above 55 years: 2% | Above 55 years: 2%" |

(vi) **Major category of plan assets as a % of total plan assets**

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------|------------------------------|------------------------------|
| Funds managed by insurer | 100% | 0.00% |
| Total | 100% | 0.00% |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

34. EMPLOYEE BENEFITS (CONTD..)

(vii) Amounts recognized in current year and previous four years

Gratuity

| Particulars | March 31, 2023 | March 31, 2022 | March 31, 2021 | March 31, 2020 | March 31, 2019 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Defined Benefit Obligation | 43.40 | 41.42 | 30.74 | 19.74 | 2.19 |
| Plan Assets | 60.09 | 46.15 | 33.31 | 15.15 | - |
| Surplus / (Deficit) | 16.69 | 5.10 | 2.58 | (4.59) | (2.19) |
| Experience adjustments on plan liabilities | (22.37) | (13.45) | (16.81) | (0.15) | - |
| Experience adjustments on plan assets | (0.08) | (0.42) | (0.03) | (0.01) | - |

35 Related Party Disclosure

A) Name of the related parties and nature of relationship

(i) Related parties where control exist

Subsidiaries

Amstrad Consumer Products Private Limited
 Next Generation Consumer Products Private Limited
 Next Generation Manufacturers Private Limited

(ii) Other related parties with whom transactions have taken place during the year:

Entities in which directors are interested

Vijay Sales India Private Limited
 Tirumala Music Centre Private Limited
 Seawaves Logistics Private Limited
 Gurunanak Airtech Private Limited
 CPR Distributors Private Limited
 Gaurav Distributor
 Arihant Refrigeration
 Jalan Brothers Private Limited
 Bacer Enterprises India Private Limited

Key Management Personnel:

Mr. Nanu Gupta (Chairman and Director)
 Mr. Nipun Singhal (Managing Director and Chief Executive Officer)
 Mr. Sanjeev Mittal (Chief Financial Officer)
 Mr. Nilesh Nanu Gupta (Director)
 Ms. Hasmita Shaha (Company Secretary) (with effect from April 01, 2023)
 Ms. Priyanka Singh (Company Secretary) (till 28th February 2023)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

B) Summary of Transactions with related parties

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| (i) Services rendered | | |
| Mindage Solutions Private Limited | 9.17 | 19.55 |
| Mindage Realty Private Limited | 244.42 | 156.17 |
| Creatigies Communications Private Limited | 95.50 | 75.01 |
| Seawaves Logistics Private Limited | 83.30 | 64.79 |
| Total | 432.39 | 315.52 |
| (ii) Sale of traded goods | | |
| Amstrad Consumer Products Private Limited | 67.75 | 36.72 |
| Vijay Sales India Private Limited | 10,780.73 | 5,723.72 |
| Seawaves Logistics Private Limited | 0.80 | 3.01 |
| Gurunanak Airtech Private Limited | 593.29 | 1,265.08 |
| CPR Distributors Private Limited | 690.53 | 88.12 |
| Gaurav Distributors | 65.77 | 107.76 |
| Arihant Refrigeration | 720.79 | 125.06 |
| Jalan Brothers Private Limited | 14.76 | 82.48 |
| Bacer Enterprises India Private Limited | 2,244.94 | 966.87 |
| Next Generation Manufacturing Pvt Ltd | 1,439.25 | - |
| Total | 16,618.61 | 8,398.82 |
| (iii) Purchase of Goods | | |
| Vijay Sales India Private Limited | 502.53 | 164.11 |
| Gurunanak Airtech Private Limited | 82.06 | 23.70 |
| CPR Distributors Private Limited | 32.01 | 14.07 |
| Gaurav Distributors | 72.94 | 1.51 |
| Arihant Refrigeration | 31.95 | 27.46 |
| Jalan Brothers Private Limited | 39.84 | 14.55 |
| Bacer Enterprises India Private Limited | 327.94 | 68.33 |
| Total | 1,089.27 | 313.73 |
| (iv) Reimbursement of Expenses | | |
| Vijay Sales India Private Limited | 99.83 | 50.66 |
| Total | 99.83 | 50.66 |
| (v) Intercompany Loans Taken | | |
| Vijay Sales India Private Limited | 2,900.00 | 4,000.00 |
| Total | 2,900.00 | 4,000.00 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

B) Summary of Transactions with related parties (Contd..)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| (vi) Intercompany Loans Repayment | | |
| Vijay Sales India Private Limited | 2,900.00 | 4,000.00 |
| Total | 2,900.00 | 4,000.00 |
| (vii) Intercompany Interest Expenses | | |
| Vijay Sales India Private Limited | 69.08 | 185.86 |
| Total | 69.08 | 185.86 |
| (viii) KMP's Remuneration | | |
| Nipun Singhal | 43.87 | 43.87 |
| Sanjeev Mittal | 27.00 | 27.00 |
| Priyanka Singh | 4.13 | 4.50 |
| Total | 75.00 | 75.37 |

*As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified.

C) Related party balances as at year end

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| (i) Trade Receivables | | |
| Vijay Sales India Private Limited | 166.95 | 1,329.11 |
| Mindage Solutions Private Limited | - | 0.09 |
| Amstrad Consumer Products Pvt Ltd- Debtors | 15.60 | 11.08 |
| Seawaves Logistics Private Limited | - | - |
| Gurunanak Airtech Private Limited | 351.12 | 393.92 |
| CPR Distributors Private Limited | 98.24 | 32.00 |
| Arihant Refrigeration | 13.44 | 35.71 |
| Arihant Refrigeration | 85.28 | 287.33 |
| Jalan Brothers Private Limited | 12.45 | 43.65 |
| Bacer Enterprises India Private Limited | 981.35 | 697.25 |
| Next Generation Manufacturing Pvt Ltd | 3,180.98 | - |
| Total | 4,905.41 | 2,830.14 |
| (ii) Other Current Assets | | |
| Mindage Realty Private Limited | 8.00 | - |
| Mindage Solutions Private Limited | - | 7.61 |
| Total | 8.00 | 7.61 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

C) Related party balances as at year end (Contd..)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| (iii) Trade Payables | | |
| Mindage Realty Private Limited | 96.33 | 79.41 |
| Seawaves Logistics Private Limited | 12.05 | 93.82 |
| Creatigies Communications Private Limited | - | 15.36 |
| Total | 108.38 | 188.59 |
| (iv) Advance from Customer | | |
| Total | - | - |
| (v) Investment in Compulsorily Convertible Debentures (CCD): | | |
| Next Generation Manufacturers Private Limited | 1,500.00 | 1,500.00 |
| Total | 1,500.00 | 1,500.00 |

36. CONTINGENT LIABILITIES AND COMMITMENTS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Contingent liabilities | | |
| Bank Guarantee submitted to Custom Department for clearance of goods under concessional custom Duty | 34.37 | 230.94 |
| Claim from vendors not acknowledged by the Company (refer note 42(a)) | 1,423.16 | 1,423.16 |
| Commitments | | |
| Estimated value of contracts in capital account remaining to be executed | - | 6.00 |
| Total | 1,457.53 | 1,660.10 |

Note i: On February 16, 2019, inventory lying at one of the warehouses of the Company, having carrying amount of ₹ 1,254.97 lakhs was destroyed on account of fire at warehouse. The Company had recognized the same as "Loss on account of goods destroyed by fire at warehouse" of ₹ 1,606.08 lakhs and credited "Inventories" by ₹ 1,254.97 lakhs and credited the balance amount under the head "Balance with government authorities" by ₹ 351.11(for IGST credit reversal). As per agreement with Seawaves Logistics Private Limited (acting forwarding agent of the Company, who handles / manages inventory at the warehouse), the claim is recoverable from them, for which they have given a confirmation as at March 31, 2022 and accordingly the Company had the shown the same as receivable under "Other current assets". During the previous years, the Company had recovered an amount of ₹ 19.61 lakhs by way of sale of scrap and the net receivable as on March 31, 2022 is ₹ 1,586.47 lakhs. During the year, the management has recorded a provision for the same on account of significant delay in the settlement of the claim and confirmations from the Seawaves Logistics Private Limited stating the fact that claim is live and shall be paid subject to approval by the Insurance Company. Further, a letter has been submitted by Seawaves Logistics Private Limited to Insurance Company to pay the claim amount directly to the Company on approval of the claim.

38. CIF VALUE OF IMPORTS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------|------------------------------|------------------------------|
| Traded goods | 3,736.88 | 2,917.55 |
| Total | 3,736.88 | 2,917.55 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

39. EXPENDITURE IN FOREIGN CURRENCY

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-------------------------------|------------------------------|------------------------------|
| Professional consultation fee | 3.28 | 9.44 |
| Total | 3.28 | 9.44 |

40. (LOSS) PER SHARE (EPS):

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| (a) Basic | | |
| Net (loss) attributable to equity share holders (A) | (3,427.12) | (1,775.42) |
| Weighted average number of equity shares of outstanding during the year (B) | 1,90,27,709 | 1,90,27,709 |
| Basic (Loss) (₹ per equity share of ₹10 each) (A / B) | (18.01) | (9.00) |

Dilute EPS has been computed based on potential dilutive impact upon conversion of Share Warrants and Compulsorily Convertible Debentures (CCDs) into equity shares in accordance with the terms of terms of Share Warrant Subscription Agreement and issue of such CCDs (refer note 7 and Note 8 respectively). Further the Company has issued ESOP Options to its employees as disclosed in note 3 which have been considered for computation of diluted EPS. Further since the impact of such potential equity shares in anti-dilutive in nature, Diluted EPS has not been disclosed by the Company.

41. SEGMENT REPORTING

The Company has considered the business segment as the primary reporting segment on the basis that the risk and returns of the Company is primarily determined by the nature of products and services. Consequently, the geographical segment has been considered as a secondary segment.

a) Primary Segment : Business Segment

The Company's operations comprise of only one segment i.e. Home Appliances. The management also reviews and measures the operating results taking the whole business as one segment and accordingly makes decision about resource allocation. In view of the same, separate segmental information is not required to be given as per the requirements of Accounting Standard (AS) 17 "Segment Reporting".

b) Secondary Segment : Geographical Segment

Geographical segment has been identified on the basis of location of the customer and assets i.e. India or outside India

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-----------------------|------------------------------|------------------------------|
| Revenue Within India | 25,076.09 | 22,226.62 |
| Revenue Outside India | - | - |
| Total | 25,076.09 | 22,226.62 |

Segment Assets: All the assets of the company are situated within India. Entire capital expenditure is incurred within India.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

42 Other notes

- (a) During the previous years, the Company had made a payment of ₹ 1,423.16 lakhs (USD 19.51 lakhs) to its foreign vendor in March 2021, and the vendor later denied to acknowledge the receipt of the amount transferred to their bank account. The Company has taken following steps to investigate the said matter & the investigation is ongoing-
 - (b) filed a complaint with Pune Cyber cell;
 - (c) filed complaint with United States Secret service and FBI.

The Company has received legal notice on June 22, 2021 from vendor's lawyer wherein they have demanded the above outstanding amount along with the interest. Based on the forensic auditors appointed by the management and assessment performed by the management, it was concluded that the Perpetrator has access to the vendor's employee email's account and had sent an email requesting for change in the bank account. Hence management believes that there was an instance of cyber fraud on vendor and not foresee any liability arising on the Company in respect of the said matter.

Foreign Vendor has filed arbitration with Shanghai International Arbitration Center (SHIAC), after long hearings from both sides SHIAC has reserved its order which is awaited."

43 Unhedged derivative instruments

Foreign currency exposures on account of trade receivables/trade payables not hedged by derivative instruments are as follows:

| Particulars | As at March 31, 2023 | |
|-----------------------------|----------------------|--------------|
| | Amount (in USD) | Amount (INR) |
| As at March 31, 2023 | | |
| Trade payables | | |
| USD | 23.48 | 1,930.45 |
| Trade receivables | | |
| USD | - | - |
| As at March 31, 2022 | | |
| Trade payables | | |
| USD | 14.05 | 1,065.45 |
| Trade receivables | | |
| USD | - | - |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

44 Financial ratios

| Ratio | Numerator | Denominator | March 31, 2023 | March 31, 2022 | Change % | Remarks |
|---|--|--|----------------|----------------|----------|--|
| Current ratio (in times) | Total current assets | Total current liabilities | 1.39 | 2.00 | -30.50% | Movement in current ratio is mainly on account of reduction in current assets as at year end. |
| Debt-Equity ratio (in times) | Total Debt | Shareholders' Equity | -3.47 | -207.38 | -98.33% | The movement in ratio is majorly on account of reduction in shareholders' equity due to current year losses. |
| Debt service coverage ratio (in times) | Loss before interest, depreciation, amortisation and tax | Total Debt | -0.10 | -0.10 | 0.00% | Not applicable |
| Return on equity ratio (in %) | Loss Profit after taxes | Average Shareholder's Equity | 193.88% | -213.03% | -191.01% | The movement in ratio is majorly on account of reduction in shareholders' equity due to current year losses. |
| Inventory turnover ratio (in times) | Cost of goods sold | Average inventory | 3.18 | 4.77 | -33.33% | The decrease in inventory turnover ratio is majorly on account of decrease in inventory level and increase in purchase during the year of the Company at the end of the current year . |
| Trade receivables turnover ratio (in times) | Revenue from operations | Average trade receivables | 4.25 | 6.65 | -36.09% | The decrease in ratio in current year is on account of increase in average trade receivable as at end of the current year |
| Trade payables turnover ratio (in times) | Net Credit Purchases | Average trade payables ((Opening + Closing)/2) | 3.58 | 3.65 | -1.92% | Not applicable |
| "Net capital turnover ratio (in times)" | Revenue from operations | Average Working capital = Total current assets - total current liabilities | 3.48 | 2.77 | 25.63% | The movement in ratio is majorly on account of reduction in shareholders' equity due to current year losses. |
| Net profit ratio (in %) | Profit for the year | Revenue from operations | -13.67% | -7.99% | 71.09% | The movement in ratio is majorly on account of due to increase in current year losses. |
| Return on capital employed (in %) | Profit before tax and finance costs | Capital Employed | 81.54% | 2063.26% | -96.05% | The movement in ratio is majorly on account of due to increase in current year losses. |
| Return on investment (in %) | Profit before tax and finance costs | Average total assets ((Opening + Closing)/2) | -16.05% | -8.26% | 94.3% | The movement in ratio is majorly on account of due to increase in current year losses. |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

45 Additional regulatory information required by Schedule III

Ministry of Corporate Affairs (“MCA”) through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. Pursuant to these amendments, the Company has given the significant additional disclosures, as applicable, in these Financial statement for all the years presented.

- i) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current year and previous year.
- iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- vi) The Company has not revalued its Property, Plant and Equipment in current year and previous year.
- vii) There are no loans or advances in the nature of loans that are granted to promoters, directors, key managerial personnel (KMPs) and the related parties either severally or jointly with any other person, that are: a) Repayable on demand or b) Without specifying any terms or period of repayment.
- viii) The company has borrowings from bank which is secured against fixed assets and current assets of the company. The differences between the Quarterly Stock Statement and Book has been reconciled.

| Quarter | Name of bank | Particulars of Securities provided | Nature of Current Asset offered as Security | Amount as reported in the quarterly statement | Amount as per books of account | Amount of difference | Reason for material discrepancies |
|----------------|--------------|--|---|---|--------------------------------|----------------------|-----------------------------------|
| June 2022 | Kotak Bank | Refer note 6 and 9 to the Financial Statements | Inventory | 6,873.63 | 5,834.82 | 1,038.81 | Note 1 |
| | | | Trade Receivable | 4,452.22 | 5,079.34 | (627.12) | Note 2 |
| September 2022 | Kotak Bank | Refer note 6 and 9 to the Financial Statements | Inventory | 5,919.73 | 6,227.29 | (307.56) | Note 3 |
| | | | Trade Receivable | 5,012.25 | 5,105.80 | (93.55) | Note 2 |
| December 2022 | Kotak Bank | Refer note 6 and 9 to the Financial Statements | Inventory | 6,556.06 | 6,778.42 | (222.36) | Note 3 |
| | | | Trade Receivable | 6,384.88 | 6,369.68 | 15.20 | Note 2 |
| March 2023 | Kotak Bank | Refer note 6 and 9 to the Financial Statements | Inventory | 6,737.92 | 6,635.53 | 102.39 | Note 3 |
| | | | Trade Receivable | 6,647.27 | 6,693.91 | (46.64) | Note 2 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

Note 1: The difference in inventory is due to goods in transit is considered in quarterly statements filed by the Company which are not included in books of accounts .

Note 2: The difference in trade receivable is due to non-inclusion of receivable on account of high sea sales in quarterly statements filed by the Company which is included in the books of accounts.

Note 3: The balance of inventory for the respective period reported in the statement filed with the bank does not include amounts relating to Goods in Transit and certain inventory adjustments which are included as part of inventory as per books of accounts.

ix) The company does not have any transactions with any defunct / struck off companies.

46 Previous year figures

Previous year figures have been reclassified to conform to this year's classification.

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Place: Pune

Date: September 28, 2023

**For and on behalf of the Board of Directors of
Amstrad Consumer India Private Limited**

(formerly known as OVOT Private Limited)

Nanu Gupta

Chairman and Director

DIN: 00664930

Sanjeev Mittal

Chief Financial Officer

Nipun Singhal

Managing Director and

Chief Executive Officer

DIN: 02026825

Hashmita Saha

Company Secretary

**CONSOLIDATED
FINANCIAL STATEMENTS**

INDEPENDENT AUDITOR'S REPORT

**To the Members of Amstrad Consumers India Private Limited
(formerly known as OVOT Private Limited)**

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of Amstrad Consumer India Private Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (refer Note 36 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss, 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 and other explanatory notes (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and except for the indeterminate effects of matters described in the 'Basis of Qualified Opinion' section below, give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2023, and loss and its cash flows for the year then ended.

Basis for Qualified Opinion

3. We draw your attention to the following:
 - (a) Note 45(a) of the consolidated financial statements which describes the instance of cyber fraud through a foreign vendor's employee email account allegedly having been accessed by the perpetrator and the Group resulting in making a payment of Rs 1,423.16 Lakhs (USD 19.51 Lakhs) to a bank account in Texas, USA which the vendor had denied to be belonging to them. The Group has taken various steps to investigate into the matter including appointment of an independent investigation agency to provide findings, and

filing of complaints with the Pune Cyber Cell, the United States Secret Service and Federal Bureau of Investigation (FBI) for investigating into the matter. Pending outcome of the investigations, we are unable to comment on the impact of the matter on the consolidated financial statements of the Group and any liability that may devolve on the Group.

4. 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 ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report but does not include the consolidated financial statements and our auditor's report thereon.
6. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. 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 in the audit or otherwise appears to be materially misstated, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Holding Company's Board of Directors is responsible for the preparation and presentation 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 and consolidated cash flows, of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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.
10. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. 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.

12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

- 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 to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
13. 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.

Other Matters

14. We did not audit the financial statements of 1 subsidiary whose financial statements reflect total assets of Rs. 17.48 lakhs and net assets of Rs. 0.49 lakhs as at March 31, 2023, total revenue of Rs. 71.65 lakhs, loss of Rs. 0.01 lakhs and net cash flows amounting to Rs. 1.61 lakhs for the year ended on that date, as considered in the consolidated financial statements whose financial statements have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, 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 matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
16. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and except for indeterminate impact of the matters stated in paragraph 3(a) of 'Basis for Qualified Opinion' section above, 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, except for indeterminate impact of the matters specified in paragraph 3(a) 'Basis for Qualified Opinion' section above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows 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, except for the indeterminate impact of the matters referred to in 'Basis of Qualified Opinion' section above the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

-
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (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:
- i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 39 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2023 for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year
 - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 48 to the Consolidated Financial Statement of the Group, 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 Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in note 48 of Consolidated Financial Statement of the Group, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries 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 has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India

whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

- v. The Holding Company, its subsidiary companies, has not declared or paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, is applicable to the Group, only with effect from financial year

beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

- vii. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Group.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Place: Pune

Membership Number: 127791

Date: September 28, 2023

UDIN: 23127791BGWBQZ2139

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 16(g) of the Independent Auditors' Report of even date to the members of Amstrad Consumers India Private Limited (formerly known as OVOT Private Limited) on the financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Amstrad Consumers India Private Limited (formerly known as OVOT Private Limited) its ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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.

Basis of Qualified Opinion

8. According to the information and explanations given to us and based on our audit, a material weakness has been identified as at March 31, 2023, as the Company did not have appropriate internal control system for ensuring compliance with respect to legal claims by the vendor, which could potentially result in having impact on the Company (Refer Note 45 to the consolidated financial statements and Paragraphs 3(a) of 'Basis of Qualified Opinion' section above).
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

10. In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference to financial statements and except for the indeterminate effects of the material weakness described in the 'Basis for Qualified Opinion' section of our report, such internal financial controls with reference to financial statements were operating effectively as of March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note issued by ICAI.
11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company for the year ended March 31, 2023, and this material weakness affect our opinion on the consolidated financial statements of the Company, and we have issued a qualified opinion on the consolidated financial statements. Refer the Basis for Qualified Opinion section of the Independent Auditor's Report.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Place: Pune

Membership Number: 127791

Date: September 28, 2023

UDIN: 23127791BGWBQZ2139

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| | Note | As at March 31, 2023 | As at March 31, 2022 |
|---|------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Equity share capital | 4 | 1,902.77 | 1,902.77 |
| Reserves and surplus | 5 | (5,648.67) | (2,045.68) |
| Total Shareholders' fund | | (3,745.90) | (142.91) |
| Money received against share warrants | 6 | 320.97 | 320.97 |
| Non-current liabilities | | | |
| Long-term borrowings | 7 | 13,691.95 | 10,241.95 |
| Long-term provisions | 9 | 604.35 | 590.85 |
| Other long-term liabilities | 8 | 373.69 | 290.73 |
| Total non-current liabilities | | 14,669.99 | 11,123.53 |
| Current liabilities | | | |
| Short-term Borrowing | 10 | 3,405.04 | 2,183.32 |
| Trade payables | 11 | | |
| Total outstanding dues of micro enterprises and small enterprises; and | | 259.50 | 151.95 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 7,222.02 | 4,747.47 |
| Other current liabilities | 12 | 283.44 | 264.10 |
| Deferred tax liabilities | 18 | 6.81 | - |
| Short-term provisions | 13 | 306.89 | 270.70 |
| Total current liabilities | | 11,483.70 | 7,617.54 |
| Total | | 22,728.76 | 18,919.13 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 14 | 6,182.78 | 21.10 |
| Intangible assets | 16 | 20.53 | 0.89 |
| Intangible asset under development | 17 | - | 27.00 |
| Capital work-in-progress | 15 | 18.66 | 2,488.94 |
| Deferred tax asset (net) | 18 | - | 2.84 |
| Long term loans and advances | 19 | 23.23 | 203.47 |
| Other non current assets | 20 | 1,244.62 | 1,144.77 |
| Total non-current assets | | 7,489.82 | 3,889.01 |
| Current assets | | | |
| Inventories | 21 | 8,669.24 | 7,808.85 |
| Trade receivables | 22 | 4,073.35 | 5,113.00 |
| Cash and bank balances | 23 | 467.76 | 95.07 |
| Short-term loans and advances | 24 | 1,987.13 | 370.95 |
| Other current assets | 25 | 41.46 | 1,642.25 |
| Total current assets | | 15,238.94 | 15,030.12 |
| Total | | 22,728.76 | 18,919.13 |

Summary of significant accounting policies

4

The accompanying notes are an integral part of the financial statement

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Place: Pune

Date: September 28, 2023

**For and on behalf of the Board of Directors of
Amstrad Consumer India Private Limited**

(formerly known as OVOT Private Limited)

Nanu Gupta

Chairman and Director

DIN: 00664930

Sanjeev Mittal

Chief Financial Officer

Nipun Singhal

Managing Director and

Chief Executive Officer

DIN: 02026825

Hashmita Saha

Company Secretary

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

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Note | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------|------------------------------|------------------------------|
| REVENUE | | | |
| Revenue from operations | 26 | 25,586.55 | 22,266.45 |
| Other income | 27 | 61.74 | 28.01 |
| Total Revenue | | 25,648.29 | 22,294.46 |
| EXPENSES | | | |
| Cost of materials consumed | 29 | 1,325.87 | - |
| Purchase of stock-in-trade | 28 | 21,786.15 | 15,038.02 |
| Changes in inventories of finished goods, work in progress and stock-in-trade | 30 | 227.43 | 4,518.57 |
| Employee benefits expense | 31 | 911.25 | 959.72 |
| Finance costs | 32 | 624.10 | 685.79 |
| Depreciation and amortization expense | 33 | 70.20 | 4.13 |
| Other expenses | 34 | 2,710.45 | 2,930.47 |
| Total expenses | | 27,655.45 | 24,136.70 |
| Loss before exceptional items and tax | | (2,007.16) | (1,842.24) |
| Exceptional items | 39 | (1,586.47) | - |
| Loss before tax | | (3,593.63) | (1,842.24) |
| Tax expense | | | |
| Current tax | | - | 0.11 |
| Deferred tax | | (9.36) | (1.18) |
| Total tax expense | | (9.36) | (1.07) |
| Loss for the year | | (3,602.99) | (1,841.17) |
| Loss per equity share: Face value of ₹ 10 per share | 42 | (11.51) | (9.68) |
| Basic | | | |

Summary of significant accounting policies

4

The accompanying notes are an integral part of the financial statement

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Place: Pune

Date: September 28, 2023

**For and on behalf of the Board of Directors of
Amstrad Consumer India Private Limited**
(formerly known as OVOT Private Limited)

Nanu Gupta

Chairman and Director

DIN: 00664930

Sanjeev Mittal

Chief Financial Officer

Nipun Singhal

Managing Director and

Chief Executive Officer

DIN: 02026825

Hashmita Saha

Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| A Cash flow from operating activities | | |
| (Loss) before tax | (3,593.63) | (1,842.24) |
| Adjustments for: | | |
| Depreciation and amortisation expense | 70.20 | 4.13 |
| Write of in value of investment due to winding up of subsidiary | 0.82 | - |
| Finance costs | 624.10 | 685.79 |
| Interest income on bank deposits | (45.75) | (25.22) |
| Unrealised foreign exchange (gain) (net) | (4.23) | (4.15) |
| Operating (loss) before working capital changes | (2,948.49) | (1,181.69) |
| Changes in working capital: | | |
| (Decrease) / increase in other long-term liabilities | (698.64) | 118.37 |
| Increase / (decrease) in trade payables | 5,861.14 | (3,361.05) |
| (Decrease) in other current liabilities | (149.77) | (962.02) |
| Increase / (decrease) in provisions | 49.80 | (14.75) |
| (Increase) / decrease in inventories | (876.44) | 4,627.48 |
| (Increase) / decrease in trade receivables | (2,129.90) | 430.51 |
| (Increase) / decrease in loans and advances | (834.62) | 1,626.67 |
| Decrease / (increase) in Short Term Loan and Advances | 1,607.67 | (5.77) |
| (Increase) / decrease in other assets | (11.19) | 8.72 |
| Cash generated from /used in operations | (130.45) | 1,286.46 |
| Income taxes paid (net of refunds) | 22.29 | (25.24) |
| Net cash generated from/ used in operating activities (A) | (108.16) | 1,261.22 |
| B Cash flow from investing activities | | |
| Purchase of property, plant and equipment, intangible assets and assets under development | (3,300.03) | (2,512.15) |
| Proceeds from/(Investment in) fixed deposits | (117.99) | 65.01 |
| Interest received on bank deposits | 45.66 | 25.30 |
| Net cash used in investing activities (B) | (3,372.36) | (2,421.84) |
| C Cash flow from financing activities | | |
| Proceeds from issue of equity shares | - | 0.33 |
| Proceeds from long term borrowings | 6,700.00 | 1,605.45 |
| Repayment of long term borrowings | (2,900.00) | (400.00) |
| Proceeds from short term borrowings (net) | 871.72 | 439.63 |
| Finance costs paid | (818.50) | (685.79) |
| Net cash generated from financing activities (C) | 3,853.22 | 959.62 |
| Net increase / (decrease) in cash and cash equivalents [A + B + C] | 372.70 | (201.00) |
| Cash and cash equivalents at the beginning of the year (refer note 18) | 95.06 | 296.06 |
| Cash and cash equivalents at the end of the year (refer note 18) | 467.76 | 95.06 |

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Cash and cash equivalents comprise of: | | |
| Bank balances: | | |
| In current accounts | 467.76 | 95.07 |
| Demand deposits (less than 3 months maturity) | - | - |
| Total | 467.76 | 95.07 |

Summary of significant accounting policies

4

The accompanying notes are an integral part of the financial statement

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Place: Pune

Date: September 28, 2023

**For and on behalf of the Board of Directors of
Amstrad Consumer India Private Limited**

(formerly known as OVOT Private Limited)

Nanu Gupta

Chairman and Director

DIN: 00664930

Sanjeev Mittal

Chief Financial Officer

Nipun Singhal

Managing Director and

Chief Executive Officer

DIN: 02026825

Hashmita Saha

Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

1 Background

Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) ("the Company") is domiciled in Pune, Maharashtra, India and is incorporated on September 27, 2018 under the provisions of the Companies Act, 2013. The Company is engaged in business of trading and distribution of consumer durable products/ home appliances viz. Air Conditioners, Televisions, Washing Machines, Iron, Dryers etc. The Company sells its products primarily in India through its distribution network and independent retail chains.

The address of its registered office is Office No. Plot No. F-3, MIDC, Supa-Parner, Ahmednagar 414301, Maharashtra, India. The CIN of the Company is U31100PN2018PTC179173

2 Basis of preparation of financial statements

A These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis, except for certain tangible assets which are being carried at revalued amounts. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Companies Act, 2013.

B Current – non- current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in the company normal operating cycle;
- (b) It is held primarily for the purpose of being traded;
- (c) It is due to be settled within 12 months after the reporting date; or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is 12 months.

3 Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities,

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

income, expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

4 Summary of Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

4.01 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition, construction and installation of the property, plant and equipment. Borrowing costs directly attributable to acquisition or construction of property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation is provided on pro-rata basis i.e. from the date on which asset is ready to use.

Useful lives/ depreciation rates:

Depreciation on property, plant and equipment is provided on written down value method, from the date on which the asset is ready for use, based on useful life as prescribed by Schedule II to the Companies Act, 2013 as below:

| Asset Category | Estimated Useful life (In years) |
|-------------------------------------|-------------------------------------|
| Office Equipment | 5 |
| Furniture & Fixture | 10 |
| Vehicles | 10 |
| Computers & (desktops, laptops etc) | 3 |

4.02 Intangible fixed assets

Intangible fixed assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets consisting of software is amortised on straight line basis over the estimated economic useful life of three years, based on management estimate.

4.03 Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised with a corresponding liability; at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. The payment of minimum lease payments is apportioned between finance charges, which are recognized as an interest expense in the Statement of Profit and Loss and reduction in lease obligations, recorded at the inception of the lease.

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term.

4.04 Inventories

Inventories which comprise traded goods are carried at lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, Weighted Average Cost method is used.

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

Demo stock is written off 100% in year of Purchase itself. Goods in transit are stated at purchase cost.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

4.05 Revenue Recognition

Revenue from sales of products is recognised on transfer of all significant risks and rewards of ownership to the buyer. Revenue from services is recognised when the service is rendered. Revenues from sales of products and services are stated exclusive of trade discounts, rebates and goods and services tax (GST).

4.06 Employee benefits

a Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

b (i) Defined benefit plans

The employees' gratuity and provident fund schemes are defined benefit plans. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation carried out by an independent actuary, using the projected unit credit method. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss. Only changes enacted before the Balance Sheet date are considered whilst determining the obligation.

The Company makes contributions to Sandvik Asia Limited Provident Fund Scheme ('the Trust'), a fund administered by a fellow subsidiary. Contribution for provident fund to the Trust is a defined benefit plan as the Company has an obligation to make good the shortfall, if any, between the return from investments made by the Trust and notified interest rate. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the employee's salary. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. The Company makes specified monthly contributions towards superannuation fund to Birla Sun Life Insurance Company, which is a defined contribution scheme."

c Long term employee benefits

Long term employee benefits comprise compensated absences and other employee incentives. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

4.07 Impairment

The carrying amounts of the Company's assets including intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indications exist, the assets recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reinstated at the recoverable amount subject to a maximum of depreciable historical cost.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

4.08 Foreign currency transactions

Transactions denominated in foreign currency are recorded at rates that approximate the exchange rate prevailing on the date of the respective transaction.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year. Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

4.09 Taxation

Income-tax expense comprises current tax and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that they will be realised in future. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

4.10 Earnings per share (EPS)

Basic earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. The number of shares used in computing

basic earnings per share is the weighted average number of shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

4.11 Provisions and Contingencies

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

4.12 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

5. EQUITY SHARE CAPITAL

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Authorised capital | | |
| 2,50,00,000 (March 31, 2022: 2,50,00,000) equity shares of ₹10 each | 2,500.00 | 2,500.00 |
| | 2,500.00 | 2,500.00 |
| Issued, subscribed and fully paid-up | | |
| 1,90,27,709 (March 31, 2022: 1,90,27,709) equity shares of ₹10 each | 1,902.77 | 1,902.77 |
| Total | 1,902.77 | 1,902.77 |

(a) Reconciliation of number of equity shares

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|-----------------|----------------------|-----------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Outstanding shares at the beginning of the year | 1,90,27,709 | 1,902.77 | 1,90,27,709 | 1,902.77 |
| Add: Issued during the year | - | - | - | - |
| Outstanding shares at the end of the year | 1,90,27,709 | 1,902.77 | 1,90,27,709 | 1,902.77 |

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

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

There are no issue of bonus shares, shares issued for consideration other than cash, and shares bought back during the year. Further, the Group has not declared dividend during the year.

(c) Shares held by directors, holding company and its subsidiary

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-------------------|----------------------|-------------------|
| | No. of Shares | % of total shares | No. of Shares | % of total shares |
| Equity Shares of ₹ 10 each fully paid up held by | | | | |
| Nilesh Nanu Gupta | 17,12,500 | 9.00% | 17,12,500 | 9.00% |

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-------------------|----------------------|-------------------|
| | No. of Shares | % of total shares | No. of Shares | % of total shares |
| Equity Shares of ₹ 10 each fully paid up held by | | | | |
| Nilesh Nanu Gupta | 17,12,500 | 9.00% | 17,12,500 | 9.00% |
| Ashish Nanu Gupta | 17,12,500 | 9.00% | 17,12,500 | 9.00% |
| Sidhant Singhal | 32,10,000 | 16.87% | 32,10,000 | 16.87% |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

5. EQUITY SHARE CAPITAL (CONTD..)

(e) Shares reserved for issue under options

The Board of Directors of Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) vide its resolution dated November 11, 2019 approved the Employee Stock Option Scheme 2019" (ESOP 2019) and the same has been approved by the shareholders on December 27, 2019 for granting Employee Stock Options (ESO) in the form of equity shares and warrants to the eligible employees of the Company. ESOP 2019 is valid till December 31, 2023.

Warrants shall be converted into equity shares as per the valuation done by registered valuer under the Companies Act or other applicable laws at the time of conversion of ESO Warrants, provided that each warrant should get one equity share per warrant. ESO Warrants shall be converted on December 31, 2023 or as per applicable laws.

The Vesting Period shall be period of 12 months from January 1 to December 31 every year till December 31, 2023. Vesting of options would be subject to continued employment with the Company. In the event of Resignation by the employee, before completion of the Vesting Period, all Options granted to an employee shall expire and the Employee shall not be eligible for any shares / warrants under the Scheme.

As at March 31, 2023, Nil options (March 31, 2022 - 6,003 options) were granted to the eligible employees. These options will vest on December 31, 2023. The options were granted during the previous year at fair value of ₹ 990 per option. Under each option employee is entitled to 3 equity shares of face value ₹ 10 each and 8 warrants of face value ₹ 120 each of the Company. Fair value of equity shares granted under the scheme to the employees of the Company during the previous year was ₹ 8.40 per share.

(f) Details of shares held by promoter

The Company is a professionally managed company and does not have an identifiable promoter in terms of the Companies Act, 2013 and consequently, does not have a promoter group.

6. RESERVES AND SURPLUS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Retained earnings | | |
| Balance as at the beginning of the year | (2,045.68) | (204.51) |
| Add : Loss for the year | (3,602.99) | (1,841.17) |
| Balance as at the end of the year | (5,648.67) | (2,045.68) |
| Total | (5,648.67) | (2,045.68) |

Nature and purpose of reserve

Retained earnings

Retained earnings represent the cumulative profits/(losses) of the Company. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

7. MONEY RECEIVED AGAINST SHARE WARRANTS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Outstanding balance at the beginning of the year | 320.97 | 315.52 |
| Money received against share warrants | - | 5.45 |
| Outstanding balance at the end of the year (refer note a and b below) | 320.97 | 320.97 |

Amstrad Consumer Products India Private Limited (formerly known as OVOT Private Limited)

Note (a): Terms and conditions for share warrants:

The Company has entered into a Warrant Subscription Agreement ('SWA' or 'the Agreement') dated October 25, 2019 with Bennett, Coleman and Company Limited ("BCCL"). As per the terms of the Agreement, BCCL had agreed to purchase five share warrants of the Company at an agreed consideration of ₹ 1950.00 lakhs at issue price of ₹ 390.00 lakhs per share warrant. BCCL had subscribed the warrants by way of payment of 10% of the total value of share warrants as initial subscription amount aggregating to ₹ 195.00 lakhs (March 31, 2022: ₹ 195.00 lakhs). These warrants shall be converted into equity share capital of the Company at the Price which would be lower of : ₹ 122 per share or it will be based on 80% of revenue as per audited financials for the year ending March 31, 2021 ('the Conversion Price').

Note (b): Terms and conditions for ESO warrants issued to employees:

The Company had issued 1,38,858 warrants (March 31, 2022: 1,38,858 warrants) at subscription price as mentioned in the Employee Stock Option Scheme 2019 ('the ESOP Plan') aggregating to ₹ 125.97 lakhs (March 31, 2022: ₹ 125.97 lakhs) to its employees under the ESOP Plan. The details of the terms and conditions of such ESO warrants has been explained in Note 4(e) above.

8. BORROWINGS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Long-term borrowings | | |
| Secured: | | |
| Term loans from banks (refer note a below) | 1,500.00 | - |
| Unsecured: | | |
| Compulsorily Convertible debentures | | |
| 87,01,000 (March 31, 2022 : 87,01,000) 0% Compulsorily Convertible Debentures of ₹ 85 each (refer note c below) | 7,395.85 | 7,395.85 |
| 18,29,000 (March 31, 2022 : 18,29,000) 0% Compulsorily Convertible Debentures of ₹ 90 each (refer note c below) | 1,646.10 | 1,646.10 |
| Inter company loan (refer note b below) (refer note 36) | 3,150.00 | 1,200.00 |
| Total | 13,691.95 | 10,241.95 |
| Short term borrowings | 350.00 | - |
| Current maturities of long-term borrowings (unsecured) (refer note b below) | 350.00 | - |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

8. BORROWINGS (CONTD..)

Next Generation Manufacturers Private Limited

Note a: Term loan from bank

The Company has availed term loan of ₹ 1,500.00 lakhs (31 March 2022: ₹ Nil lakhs) from bank for the purpose of construction of factory. The term loan carries interest based on PLR - 4.80% p.a. payable monthly. The term loan is to be repaid in 66 monthly instalments as mentioned in the repayment schedule from the month after completion of moratorium period of 18 months from the date of first disbursement. The term loan is secured by:

- pari passu charge on the moveable and immovable fixed assets (present and future) of the Company along with other member banks under multiple banking arrangement.
- pari passu second charge on the moveable and immovable fixed assets (present and future) of the Company at plot no F-3 MIDC Supa Parner, Ahmednagar - 414301 along with other member banks under multiple banking arrangement. There were no financial covenants mentioned in the term loan agreement availed with the Company as on March 31, 2023.

Note b: Inter company loan

The Company has availed unsecured loan amounting to ₹ 3,500.00 lakhs (March 31, 2022: 1,200.00 lakhs) from Vijay Sales India Private Limited such loan is repayable in 10 annual installments and carries fixed interest rate of 9.00% p.a.

Amstrad Consumed Products India Private Limited (Formerly known as OVOT Private Limited)

Note c: Terms and conditions of Compulsorily Convertible Debentures (CCDs):

The Company has issued 87,01,000 and 18,29,000 0% Compulsorily Convertible Debentures (CCDs) in the previous years with face value of ₹ 85 and ₹ 90 each respectively. Each CCD is convertible into such number of equity shares as may be determined based on the valuation of equity shares as on the date of conversion subject to minimum of one equity share of face value of ₹10 each. These new equity shares issued on conversion of CCD's will rank pari passu in all respects with existing issued and subscribed Equity Shares of the Company subject to Memorandum and Articles of Association of the Company.

Subsequent to the year end, the Company has converted these CCDs into equity shares post receipt of all the required approvals.

9. OTHER LONG-TERM LIABILITIES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------|-------------------------|-------------------------|
| Other payables | 373.69 | 290.73 |
| Total | 373.69 | 290.73 |

10. LONG-TERM PROVISIONS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Provision for employee benefits | | |
| Provision for gratuity (net of fair value of planned asset of ₹ 1.92 lakhs (March 31, 2022: ₹ Nil lakhs) (refer note 34) | 0.85 | - |
| Other provisions | | |
| Provision for warranty | 603.50 | 590.85 |
| Total | 604.35 | 590.85 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

10. LONG-TERM PROVISIONS (CONTD..)

Note (a) : Provision for product warranties

Provision for warranties is recognised on the basis of actuarial computations expected warranty claims on products sold by the Company. Warranty claims are expected to be settled over the warranty period ranging from 1 to 10 years based on category and nature of products. Assumptions used to calculate the provision for warranties were based on current and previous year sales level and the failure trend in respect of defective products.

Provision for warranty is disclosed as net of amounts expected reimbursement from vendors amounting to ₹ 211.85 lakhs (March 31, 2022 : ₹ 73.27 lakhs).

Movement in provision for warranty:

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Balance as at the beginning of the year | 861.44 | 833.49 |
| Addition during the year | 447.06 | 393.44 |
| Utilised during the year | (398.11) | (365.49) |
| Balance as at the end of the year | 910.39 | 861.44 |
| Classified as long-term provision | 603.50 | 590.85 |
| Classified as short-term provision | 306.89 | 270.59 |

11. SHORT TERM BORROWINGS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Secured: | | |
| Working capital loans repayable on demand from banks (refer note i below) | 1,183.46 | 1,299.21 |
| Bank overdraft (refer note ii below) | 1,871.58 | 884.11 |
| Current maturities of long-term borrowings (unsecured) (refer note 7 above) | 350.00 | - |
| Total | 3,405.04 | 2,183.32 |

Amstrad Consumed Products India Private Limited (Formerly known as OVOT Private Limited)

Note i: Working capital demand loans from banks are secured by hypothecation of current assets both present and future as primary charge and by hypothecation of movable property, plant and equipment as collateral charge. The facility is further secured by way of personal guarantee from Mr. Nipun Singhal. Working Capital Demand Loan is generally taken for a period of less than 365 days and carries interest @ one year MCLR. p.a.

Note ii: Bank overdraft are secured by hypothecation of current assets both present and future as primary charge and by hypothecation of movable property, plant and equipment as collateral charge. The facility is further secured by way of personal guarantee from Mr. Nipun Singhal. This facility carries interest @ one year MCLR p.a.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

12. TRADE PAYABLES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Current | | |
| Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises (refer note i below); | 259.50 | 151.95 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 7,222.02 | 4,747.47 |
| Total | 7,481.52 | 4,899.42 |
| Break up of payable balances | | |
| Payable to related parties (refer note 37) | 96.33 | 79.41 |
| Acceptances | 4,106.32 | 3,422.54 |
| Others payables | 3,278.87 | 1,397.47 |
| Total | 7,481.52 | 4,899.42 |

Note i: The identification of micro, small and medium enterprises is based on the information of their registration status available with the management. The Company has certain dues to suppliers registered under MSMED Act. The disclosures pursuant to the said MSMED Act are as follows:

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at year end | 259.50 | 151.95 |
| Interest due to suppliers under MSMED Act and remaining unpaid as at year end* | 1.50 | - |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | 5.46 | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| 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 MSMED Act | 1.50 | - |
| Interest accrued and remaining unpaid at the end of the accounting year | 1.50 | - |
| Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act | - | - |

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent of ₹ 1.50 lakhs (March 31, 2022: ₹ Nil lakhs). The same has been accrued in the books of accounts of the Company subsequently company has discharged its liability.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

12. TRADE PAYABLES (CONTD..)

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the suppliers/information\ available with the Company regarding their status under MSME Act, 2006

The trade payables ageing schedule for the year ended as on March 31, 2023 is as follow:

| Particulars | Unbilled | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---------------------------|---------------|-----------------|---------------------|-----------|-----------|----------------------|-----------------|
| 1) MSME - Undisputed | 1.16 | 235.46 | 22.88 | - | - | - | 259.50 |
| 2) Others - Undisputed | 168.99 | 5,413.27 | 1,639.76 | - | - | - | 7,222.02 |
| 3) Disputed dues - MSME | - | - | - | - | - | - | - |
| 4) Disputed dues - Others | - | - | - | - | - | - | - |
| Total | 170.15 | 5,648.73 | 1,662.64 | - | - | - | 7,481.52 |

The trade payables ageing schedule for the year ended as on March 31, 2022 is as follow:

| Particulars | Unbilled | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---------------------------|-------------|----------|---------------------|-----------|-----------|----------------------|-----------------|
| 1) MSME - Undisputed | - | - | 151.95 | - | - | - | 151.95 |
| 2) Others - Undisputed | 2.40 | - | 4,745.07 | - | - | - | 4,747.47 |
| 3) Disputed dues - MSME | - | - | - | - | - | - | - |
| 4) Disputed dues - Others | - | - | - | - | - | - | - |
| Total | 2.40 | - | 4,897.02 | - | - | - | 4,899.42 |

13. OTHER CURRENT LIABILITIES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Advances from customers | 14.99 | 164.32 |
| Employee benefits payable | 21.00 | 19.66 |
| Statutory dues payable | 78.36 | 80.12 |
| Payable for property, plant and equipment | 169.09 | - |
| Total | 283.44 | 264.10 |

14. SHORT-TERM PROVISIONS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Provision for employee benefits | | |
| Provision for gratuity (refer note 35) | - | - |
| Other provisions | | |
| Provision for warranty (refer note 9) | 306.89 | 270.59 |
| | - | 0.11 |
| Total | 306.89 | 270.70 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

15. PROPERTY, PLANT AND EQUIPMENT (REFER NOTE I AND II BELOW)

| Particulars | Gross block (at cost) | | | | Depreciation | | | | Net book value | |
|------------------------|-----------------------------|---------------------------|---------------------------|------------------------------|-----------------------------|---------------------|---------------------------|------------------------------|----------------------|----------------------|
| | Balance as on April 1, 2022 | Additions during the year | Deletions during the year | Balance as on March 31, 2023 | Balance as on April 1, 2022 | Charge for the year | Deletions during the year | Balance as on March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 |
| | Leasehold land | - | 1,127.43 | - | 1,127.43 | - | 23.35 | - | 23.35 | - |
| Factory Building | - | 3,039.48 | - | 3,039.48 | - | 15.03 | - | 15.03 | - | 3,024.45 |
| Building office | - | 124.40 | - | 124.40 | - | 0.31 | - | 0.31 | - | 124.09 |
| Plant and equipments | - | 1,900.37 | - | 1,900.37 | - | 18.63 | - | 18.63 | - | 1,881.74 |
| Office equipment | 9.56 | 8.82 | - | 18.38 | 1.93 | 2.23 | - | 4.16 | 7.63 | 14.22 |
| Furniture and fixtures | 12.30 | 14.68 | - | 26.98 | 1.23 | 1.45 | - | 2.68 | 11.07 | 24.30 |
| Computer equipment | 5.11 | 9.34 | - | 14.45 | 3.01 | 1.80 | - | 4.81 | 2.10 | 9.64 |
| Vehicles | 0.43 | - | - | 0.43 | 0.13 | 0.04 | - | 0.17 | 0.30 | 0.26 |
| Total | 27.40 | 6,224.52 | - | 6,251.92 | 6.30 | 62.84 | - | 69.14 | 21.10 | 6,182.78 |

| Particulars | Gross block (at cost) | | | | Depreciation | | | | Net book value | |
|------------------------|-----------------------------|---------------------------|---------------------------|------------------------------|-----------------------------|---------------------|---------------------------|------------------------------|----------------------|----------------------|
| | Balance as on April 1, 2021 | Additions during the year | Deletions during the year | Balance as on March 31, 2022 | Balance as on April 1, 2021 | Charge for the year | Deletions during the year | Balance as on March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 |
| | Leasehold land | - | - | - | - | - | - | - | - | - |
| Factory Building | - | - | - | - | - | - | - | - | - | - |
| Building office | - | - | - | - | - | - | - | - | - | - |
| Plant and equipments | - | - | - | - | - | - | - | - | - | - |
| Furniture and fixtures | 8.47 | 3.83 | - | 12.30 | 0.29 | 0.94 | - | 1.23 | 8.18 | 11.07 |
| Computer equipment | 4.43 | 0.68 | - | 5.11 | 1.52 | 1.49 | - | 3.01 | 2.91 | 2.10 |
| Office equipment | 3.11 | 6.45 | - | 9.56 | 0.39 | 1.54 | - | 1.93 | 2.72 | 7.63 |
| Vehicles | 0.43 | - | - | 0.43 | 0.09 | 0.04 | - | 0.13 | 0.34 | 0.30 |
| Total | 16.44 | 10.96 | - | 27.40 | 2.29 | 4.01 | - | 6.30 | 14.15 | 21.10 |

Note i: The Group does not have any immovable properties owned by the Group. The leasehold agreement executed in the favour of the Group.

Note ii: There are no proceedings initiated against the Group for holding any Benami Property under Benami Transaction (Prohibition) Act 1988 (45 of 1988) and rules made thereunder.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

Note iii: Break up of expense capitalized on property plant and equipment

| Particular | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|-----------------------------|--------------------------------------|--------------------------------------|
| Interest Expenses | 274.11 | - |
| Legal and professional fees | 107.33 | - |
| Employee benefit expense | 112.18 | - |
| Import expense | 17.31 | - |
| Electricity Expense | 15.75 | - |
| Other expense | 18.02 | - |
| Total | 544.70 | - |

16. CAPITAL WORK IN PROGRESS (REFER NOTE I BELOW)

| Movement in capital work-in-progress | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------|-------------------------|-------------------------|
| Opening balance | 2,488.94 | - |
| Additions during the year | 3,752.42 | 2,488.94 |
| Capitalized during the year | 6,222.70 | - |
| Closing balance * | 18.66 | 2,488.94 |

*Capital work in progress mainly comprises of amounts pertaining to plant & machinery.

Ageing of capital work-in-progress (CWIP) for the year ended March 31, 2023:

| 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 | 18.66 | - | - | - | 18.66 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 18.66 | - | - | - | 18.66 |

Ageing of capital work-in-progress (CWIP) for the year ended March 31, 2022:

| 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 | 2,488.94 | - | - | - | 2,488.94 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 2,488.94 | - | - | - | 2,488.94 |

Note (i): There are no projects in relation to CWIP whose completion is overdue or has exceeded its cost compared to original plan. The Group evaluates the completion of projects based on its original plan, which are monitored on an ongoing basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

17. INTANGIBLE ASSETS

March 31, 2023

| Particulars | Gross block (at cost) | | | | Amortisation | | | | Net book value | |
|--------------|-----------------------------|---------------------------|---------------------------|------------------------------|-----------------------------|---------------------|---------------------------|------------------------------|----------------------|----------------------|
| | Balance as on April 1, 2022 | Additions during the year | Deletions during the year | Balance as on March 31, 2023 | Balance as on April 1, 2022 | Charge for the year | Deletions during the year | Balance as on March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 |
| Softwares | 2.49 | 27.00 | - | 29.49 | 1.60 | 7.36 | - | 8.96 | 0.89 | 20.53 |
| Total | 2.49 | 27.00 | - | 29.49 | 1.60 | 7.36 | - | 8.96 | 0.89 | 20.53 |

17. INTANGIBLE ASSETS (CONTD..)

March 31, 2022

| Particulars | Gross block (at cost) | | | | Amortisation | | | | Net book value | |
|--------------|-----------------------------|---------------------------|---------------------------|------------------------------|-----------------------------|---------------------|---------------------------|------------------------------|----------------------|----------------------|
| | Balance as on April 1, 2021 | Additions during the year | Deletions during the year | Balance as on March 31, 2022 | Balance as on April 1, 2021 | Charge for the year | Deletions during the year | Balance as on March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 |
| Softwares | 2.49 | - | - | 2.49 | 1.48 | 0.12 | - | 1.60 | 1.01 | 0.89 |
| Total | 2.49 | - | - | 2.49 | 1.48 | 0.12 | - | 1.60 | 1.01 | 0.89 |

18. INTANGIBLE ASSETS UNDER DEVELOPMENT (REFER NOTE I BELOW)

| Particulars | As at March 31, 2022 | | | | As at March 31, 2023 | | | |
|--------------|-----------------------------|---------------------------|-----------------------------|------------------------------|-----------------------------|---------------------------|-----------------------------|------------------------------|
| | Balance as on April 1, 2021 | Additions during the year | Capitalised during the year | Balance as on March 31, 2022 | Balance as on April 1, 2022 | Additions during the year | Capitalised during the year | Balance as on March 31, 2023 |
| Software | 14.75 | 12.25 | - | 27.00 | 27.00 | - | 27.00 | - |
| Total | 14.75 | 12.25 | - | 27.00 | 27.00 | - | 27.00 | - |

Note (i): The Group does not have any Intangible asset under development or capital work-in-progress as at March 31, 2023. Further there were no material overdues or projects where actual cost has exceeded as compared to cost as per original plan as at March 31, 2022. The Group evaluates the completion of projects based on its original plan, which are monitored on an ongoing basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

19. DEFERRED TAX (NET)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Deferred tax liabilities | | |
| On provision for employee benefits | (0.15) | - |
| On excess of depreciation on property, plant and equipment provided in books of account over depreciation | (6.66) | - |
| | (6.81) | - |
| Deferred tax asset | | |
| On excess of depreciation on property, plant and equipment provided in books of account over depreciation | - | 1.90 |
| Expenditure covered by section 43B of Income-tax Act, 1961 | - | 0.94 |
| Net deferred tax asset / (liability) (net)* | (6.81) | 2.84 |

*On prudent basis deferred tax asset has not been recognised by the Group in the books of accounts.

20. LONG TERM LOANS AND ADVANCES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Advance for capital goods | 23.23 | 203.47 |
| Total | 23.23 | 203.47 |

There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties as at March 31, 2023 and March 31, 2022.

21. OTHER NON-CURRENT ASSETS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Security deposits | 222.27 | 217.87 |
| Deposits with original maturity more than 12 months* | 1,001.76 | 883.77 |
| Advance income tax (net) | 20.59 | 43.13 |
| Total | 1,244.62 | 1,144.77 |

* Held under lien against letter of credit issued by bank.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

22. INVENTORIES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Traded goods (includes in transit : ₹1,048.33; March 31, 2022 : ₹ 639.46) | 6,619.42 | 7,808.85 |
| Raw materials (includes in transit: ₹ 484.85 lakhs, March 31, 2022: ₹ Nil lakhs) | 1,087.43 | - |
| Finished goods (includes in transit: ₹ Nil lakhs, March 31, 2022: ₹ Nil lakhs) | 932.16 | - |
| Work-in progress | 29.84 | - |
| Packing material | 0.39 | - |
| Total | 8,669.24 | 7,808.85 |

Inventories are valued at cost or net realisable value, whichever is lower.

For year ended March 31, 2023, write down of inventories to net realisable value amounted to ₹ Nil lakhs (March 31, 2022: ₹ Nil lakhs).

22. INVENTORIES (CONTD..)

Break up of inventory

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------|-------------------------|-------------------------|
| Traded goods | | |
| Air conditioners | 2,011.20 | 2,514.76 |
| LED TV | 740.71 | 1,544.57 |
| Washing Machine | 183.51 | 291.19 |
| Other Product | 63.32 | 167.71 |
| Components & Spare Parts | 3,620.68 | 3,290.62 |
| Total (a) | 6,619.42 | 7,808.85 |
| Raw Material | | |
| Air conditioners | 225.47 | - |
| Televisions | 861.96 | - |
| Total (b) | 1,087.43 | - |
| Work in progress | | |
| Air conditioners | 29.84 | - |
| Total (c) | 29.84 | - |
| Finished goods | | |
| Air conditioners | 655.23 | - |
| Televisions | 276.93 | - |
| Total (d) | 932.16 | - |
| Total (a) + (b) + (c) + (d) | 8,668.85 | 7,808.85 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

23. TRADE RECEIVABLES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Outstanding for a period less than 6 months from the date they are due for payment | 3,828.53 | 4,960.86 |
| Outstanding for a period exceeding 6 months from the date they are due for payment | 244.82 | 152.14 |
| | 4,073.35 | 5,113.00 |
| Unsecured, considered doubtful | | |
| Outstanding for a period less than 6 months from the date they are due for payment | - | - |
| Outstanding for a period exceeding 6 months from the date they are due for payment | - | - |
| | - | - |
| Break up of balance receivable | | |
| - from related parties (refer note 37) | 2,226.58 | 2,819.06 |
| - from others | 1846.77 | 2,293.94 |
| | 4,073.35 | 5,113.00 |
| Total | 4,073.35 | 5,113.00 |

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

23. TRADE RECEIVABLES (CONTD..)

The trade receivables ageing schedule for the year ended as on March 31, 2023 is as follow:

| Particulars | Not Due | Less than 6 months | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-------------------------------------|-----------------|-----------------------|---------------------|--------------|--------------|----------------------|-----------------|
| Undisputed Trade Receivables | | | | | | | |
| Considered Good | 3,010.08 | 818.45 | 200.95 | 13.85 | 30.02 | - | 4,073.35 |
| Considered Doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables | | | | | | | |
| Considered Good | - | - | - | - | - | - | - |
| Considered Doubtful | - | - | - | - | - | - | - |
| Total | 3,010.08 | 818.45 | 200.95 | 13.85 | 30.02 | - | 4,073.35 |

The trade receivables ageing schedule for the year ended as on March 31, 2022 is as follow:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Not Due | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-------------------------------------|-----------------|--------------------|-----------------|--------------|-------------|-------------------|-----------------|
| Undisputed Trade Receivables | | | | | | | |
| Considered Good | 4,026.51 | 934.35 | 81.25 | 66.12 | 4.77 | - | 5,113.00 |
| Considered Doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables | | | | | | | |
| Considered Good | - | - | - | - | - | - | - |
| Considered Doubtful | - | - | - | - | - | - | - |
| Total | 4,026.51 | 934.35 | 81.25 | 66.12 | 4.77 | - | 5,113.00 |

24. CASH AND BANK BALANCES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------|----------------------|----------------------|
| Bank Balances | | |
| In current accounts | 467.76 | 95.07 |
| Total | 467.76 | 95.07 |

25. SHORT-TERMS LOANS AND ADVANCES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------|----------------------|----------------------|
| Unsecured considered good | | |
| Advance to suppliers | 486.25 | 21.59 |
| Advance to employees | 6.99 | 8.99 |
| Prepaid expenses | 27.65 | 24.81 |
| Balance with government authorities | 1,466.24 | 315.56 |
| Total | 1,987.13 | 370.95 |

26. OTHER CURRENT ASSETS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured, considered good: | | |
| Interest accrued on deposits with banks | 2.13 | 2.04 |
| Security deposits | 36.50 | 50.92 |
| Other receivables | 1,589.30 | 1,589.29 |
| Less: Provision against doubtful receivable (refer note 39) (refer note i below) | (1,586.47) | - |
| | 2.83 | 1,589.29 |
| Total | 41.46 | 1,642.25 |

Note i: On February 16, 2019, inventory lying at one of the warehouses of the Group, having carrying amount of ₹ 1,254.97 lakhs was destroyed on account of fire at warehouse. The Group had recognized the same as “Loss on account of goods destroyed by fire at warehouse” of ₹ 1,606.08 lakhs and credited “Inventories” by ₹ 1,254.97 lakhs and credited the balance amount under the head “Balance with government authorities” by ₹ 351.11 (for IGST credit reversal). As per agreement with Seawaves Logistics Private Limited (acting forwarding agent of the Group, who handles / manages inventory at the warehouse), the claim is recoverable from them, for which they have given a confirmation as at March 31, 2022 and accordingly the Group had the shown the same as receivable under “Other current assets”. During the previous years, the Group had recovered an amount of ₹ 19.61 lakhs by way of sale of scrap and the net receivable as on March 31, 2022 is ₹ 1,586.47 lakhs. During the year, the management has recorded a provision for the same on account of significant delay in the settlement of the claim and confirmations from the Seawaves Logistics Private Limited stating the fact that claim is live and shall be paid subject to approval by the Insurance Company. Further, a letter has been submitted by Seawaves Logistics Private Limited to Insurance Company to pay the claim amount directly to the Group on approval of the claim.

27. REVENUE FROM OPERATIONS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|------------------------------------|------------------------------|------------------------------|
| Sale of products | | |
| Traded goods | 25,426.51 | 22,488.56 |
| Less: Interest subvention expenses | 342.76 | 222.11 |
| Net sale of traded goods | 25,083.75 | 22,266.45 |
| Finished goods | 502.80 | - |
| Total | 25,586.55 | 22,266.45 |

Product wise break up of sale of products

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Air conditioners | 10,184.01 | 11,187.46 |
| LED TV | 11,811.25 | 7,359.91 |
| Washing machine | 1,842.36 | 1,258.44 |
| Components, spare parts & other products | 1,748.93 | 2,460.64 |
| Total | 25,586.55 | 22,266.45 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

Geography wise break up of sale of products

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------|------------------------------|------------------------------|
| India | 25,586.55 | 22,266.45 |
| Outside India | - | - |
| Total | 25,586.55 | 22,266.45 |

28. OTHER INCOME

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Interest income on bank deposits | 45.75 | 25.22 |
| Interest on income tax refund | - | 0.04 |
| Interest received from customers on delayed payment | 8.13 | 2.75 |
| Miscellaneous income | 7.86 | - |
| Total | 61.74 | 28.01 |

29. PURCHASE OF STOCK-IN-TRADE

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-----------------------------|------------------------------|------------------------------|
| Purchases of stock-in-trade | 21,786.15 | 15,038.02 |
| Total | 21,786.15 | 15,038.02 |

29. PURCHASE OF STOCK-IN-TRADE (CONTD..)

Product wise break up of purchase of stock in trade

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Air conditioners | 4,848.06 | 4,525.12 |
| LED TV | 10,381.93 | 8,360.19 |
| Washing machine | 1,531.09 | 373.42 |
| Components, spare parts & other products | 5,025.07 | 1,779.29 |
| Total | 21,786.15 | 15,038.02 |

30. COST OF MATERIALS CONSUMED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Raw material consumed | | |
| Opening inventory | - | - |
| Add : Purchases (net) | 2,397.06 | - |
| Less : Inventory at the end of the year | (1,071.19) | - |
| Cost of raw materials consumed during the year | 1,325.87 | - |

| Product | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Air-conditioner | | |
| Sub assembly Indoor unit and outdoor unit | 159.10 | - |
| Indoor unit | 509.88 | - |
| Compressor | 49.50 | - |
| Other components | 86.76 | - |
| Television | | |
| Main board | 166.22 | - |
| Open cell | 66.04 | - |
| PCB assembly | 44.31 | - |
| Other components | 244.06 | - |
| Total | 1,325.87 | - |

31. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|------------------------------|------------------------------|------------------------------|
| Closing stock | | |
| Finished goods | 932.16 | - |
| Work-in progress | 29.84 | - |
| Traded goods | 6,619.42 | 7,808.85 |
| Closing stock | 7,581.42 | 7,808.85 |
| Opening Stock | | |
| Finished goods | - | - |
| Work-in progress | - | - |
| Traded goods | 7,808.85 | 12,327.42 |
| Opening stock | 7,808.85 | 12,327.42 |
| Change in inventories | 227.43 | 4,518.57 |

32. EMPLOYEE BENEFITS EXPENSE*

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Salaries, Wages and Bonus | 876.67 | 914.41 |
| Contribution to superannuation and other funds | 0.02 | - |
| Contribution to provident and other funds (refer note 36) | 27.46 | 30.88 |
| Gratuity expense (refer note 36) | 0.06 | 8.11 |
| Staff welfare expenses | 7.04 | 6.32 |
| Total | 911.25 | 959.72 |

Net of expense capitalised during the year of ₹ 112.18 lakhs (March 31, 2022: ₹ Nil lakhs) (refer note 13)

33. FINANCE COST*

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Interest on custom duty | 67.08 | 7.35 |
| Interest expenses | 359.92 | 418.98 |
| Interest on statutory liabilities | - | 0.46 |
| Interest expenses intercompany loan (refer note 37) | 69.08 | 185.86 |
| Bank charges | 128.02 | 73.14 |
| Total | 624.10 | 685.79 |

Net of expense capitalised during the year of ₹ 274.11 lakhs (March 31, 2022: ₹ Nil lakhs) (refer note 14)

34. DEPRECIATION AND AMORTISATION EXPENSE

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Depreciation property, plant and equipment (refer note 14) | 62.84 | 4.01 |
| Amortisation of intangible assets (refer note 15) | 7.36 | 0.12 |
| Total | 70.20 | 4.13 |

35. OTHER EXPENSES (REFER NOTE I, II, AND III BELOW)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|----------------------------|------------------------------|------------------------------|
| Rent (refer note ii below) | 149.99 | 230.02 |
| Electricity expenses | 9.59 | 0.12 |
| Repairs and maintenance | 16.73 | 3.77 |
| Insurance | 40.66 | 43.89 |
| Rates and taxes | 44.46 | 23.73 |
| Cash Discount | 15.27 | 141.15 |
| Travelling expenses | 188.00 | 130.19 |
| Electricity expenses | 4.85 | 6.06 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| | | |
|---|-----------------|-----------------|
| Payment to Auditor: | - | - |
| Statutory audit fee | 21.00 | 11.30 |
| Tax audit fee | 1.00 | 1.00 |
| Legal and professional fees | 64.61 | 60.76 |
| Security charges | 3.21 | 2.71 |
| Office expenses | 5.38 | 3.18 |
| Contract Labour charges | 54.36 | - |
| Consumption stores & spares | 3.42 | - |
| Water charges | 1.76 | - |
| Printing and stationery | 5.81 | 3.08 |
| Advertisement and publicity expenses | 537.72 | 824.99 |
| Business promotion expenses | 55.23 | 30.02 |
| Write of in value of investment due to winding up of subsidiary | 0.82 | - |
| Freight outward expenses | 573.19 | 489.66 |
| Demo and Installation expenses (net) | 231.26 | 227.82 |
| Service and Warranty expenses | 447.06 | 393.44 |
| Net loss on foreign currency transaction and translation | 31.87 | 24.63 |
| Miscellaneous expenses | 203.20 | 277.90 |
| Support Service Charges | - | 1.05 |
| Total | 2,710.45 | 2,930.47 |

Note i: Net of expense capitalised during the year of ₹ 158.41 lakhs (March 31, 2022: ₹ Nil lakhs) (refer note 13)

Note ii: Provision of section 135 of the Companies Act, 2013, related to Corporate Social responsibility is not applicable to the Group.

Note iii: With respect to the operating leases, the Group has operating lease arrangements for their office and warehouse premises, which are cancellable leases. These lease arrangements are for a period of 5 years, which are renewable for further period on mutually agreeable terms and also include escalation clauses.

36. Disclosure relating to entities considered in the consolidated financial statements:

(a) Subsidiaries considered for consolidation:

| Name of the Subsidiary | Country of Incorporation | Proportion of ownership interest | |
|--|--------------------------|----------------------------------|-------------------------|
| | | As at March 31, 2023 | As at March 31, 2022 |
| Amstrad Consumer Products Private Limited | India | 100% | 100% |
| Next Generation Consumer Products Private Limited (till March 30, 2023)* | India | 0% | 100% |
| Next Generation Manufacturers Private Limited | India | 100% | 100% |

*the subsidiary has been liquidated

(b) Share in net assets

| Name of the Subsidiary | Country of Incorporation | Proportion of ownership interest | |
|---|--------------------------|----------------------------------|-------------------------|
| | | As at March 31, 2023 | As at March 31, 2022 |
| Amstrad Consumers India Private Limited | Holding Company | (3,500.79) | (57.09) |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| | | | |
|--|------------|-------------------|-----------------|
| Amstrad Consumer Products Private Limited | Subsidiary | (0.59) | (0.48) |
| Next Generation Consumer Products Private Limited (till March 30, 2023)* | Subsidiary | - | (0.28) |
| Next Generation Manufacturers Private Limited | Subsidiary | (244.52) | (85.06) |
| | | (3,745.90) | (142.91) |

*the subsidiary has been liquidated

(c) Share in profits

| Name of the Subsidiary | Country of Incorporation | Proportion of ownership interest | |
|--|--------------------------|----------------------------------|----------------------|
| | | As at March 31, 2023 | As at March 31, 2022 |
| Amstrad Consumers India Private Limited | Holding Company | (3,443.42) | (1,775.39) |
| Amstrad Consumer Products Private Limited | Subsidiary | (0.11) | (0.16) |
| Next Generation Consumer Products Private Limited (till March 30, 2023)* | Subsidiary | - | (0.40) |
| Next Generation Manufacturers Private Limited | Subsidiary | (159.46) | (65.22) |
| | | (3,602.99) | (1,841.17) |

*the subsidiary has been liquidated

37. EMPLOYEE BENEFITS

The Group has classified various benefits provided to employees as under:

(a) Defined Contribution Plans :

The Group makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

37. EMPLOYEE BENEFITS (CONTD..)

During the year, the Group has recognized the following amounts in the statement of profit and loss:

| Particulars | Year Ended | Year Ended |
|---|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| Contribution to provident and other funds | 27.48 | 30.88 |
| Total | 27.48 | 30.88 |

(b) Defined Benefit Plans :

Gratuity: The Group operates a post-employment defined benefit plan that provide gratuity benefit. Gratuity is applicable to all permanent and full time employees of the Company and paid out is based on last drawn basic salary at the time of termination or retirement. The scheme takes into account each completed year of service or part thereof in excess of six months. The normal age of retirement is 60 years (based on company's discretion for each employee) and the entire contribution is borne by the Company. The actuarial valuation is done based on "Projected Unit Credit Method"

Following figures are as per actuarial valuation, as at the Balance Sheet date, carried out by an independent actuary.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

(i) Change in the present value of defined benefit obligation

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Balance at the beginning of the year | 42.15 | 30.74 |
| Current service cost | 23.42 | 23.57 |
| Interest cost | 3.03 | 2.11 |
| Benefits Paid | - | (0.25) |
| Actuarial gain | (22.46) | (14.02) |
| Balance at the end of the year | 46.14 | 42.15 |

(ii) Change in the fair value of plan assets

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Balance at the beginning of the year | 46.51 | 33.31 |
| Expected returns on plan assets | 3.83 | 2.41 |
| Actuarial gains / (losses) | 0.10 | 0.42 |
| Contribution paid by the employer | 10.66 | 11.72 |
| Contribution by plan participants | 1.81 | - |
| Mortality charges and taxes | (0.92) | (1.10) |
| Benefits paid | - | (0.25) |
| Balance at the end of the year | 61.99 | 46.51 |
| Actual return on plan assets | 3.93 | 2.83 |

37. EMPLOYEE BENEFITS (CONTD..)

(iii) Assets and Liabilities recognized in the Balance Sheet:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Present value of defined benefit obligation | 48.89 | 42.88 |
| Less: Fair value of plan assets | (60.09) | (46.51) |
| Net liability recognised in the Balance sheet | | |
| Current liability | - | - |
| Non-current liability | 0.85 | 0.73 |
| Total | 0.85 | 0.73 |

*Surplus asset is not recognised in books of accounts

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

(iv) Expenses / (Income) recognized in the Statement of Profit and Loss:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------------|------------------------------|------------------------------|
| Current service cost | 23.42 | 23.57 |
| Interest cost | 3.03 | 2.11 |
| Expected return on plan assets | (3.93) | (2.41) |
| Net Actuarial (gains)/ losses | (22.46) | (13.71) |
| Total Expenses | 0.06 | 9.57 |

(v) Actuarial Assumptions:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Discount Rate | 7.50% | 7.20% |
| Expected Rate of Return on Plan Assets | 7.00% | 7.25% |
| Salary Growth | 7.00% | 7.00% |
| Attrition Rate (p.a.) | 0-30 Years: 10% | 0-30 Years: 10% |
| | 31-35 Years: 8% | 31-35 Years: 8% |
| | 36-45 Years: 6% | 36-45 Years: 6% |
| | 45-55 Years: 4% | 45-55 Years: 4% |
| | Above 55 years: 2% | Above 55 years: 2% |

(vi) Major category of plan assets as a % of total plan assets

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------|------------------------------|------------------------------|
| Funds managed by insurer | 100% | 0.00% |
| Total | 100% | 0.00% |

37. EMPLOYEE BENEFITS (CONTD..)

(vii) Amounts recognized in current year and previous four years

Gratuity

| Particulars | March 31, 2023 | March 31, 2022 | March 31, 2021 | March 31, 2020 | March 31, 2019 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Defined Benefit Obligation | 46.14 | 41.42 | 30.74 | 19.74 | 2.19 |
| Plan Assets | 61.99 | 46.15 | 33.31 | 15.15 | - |
| Surplus / (Deficit) | 15.85 | 5.10 | 2.58 | (4.59) | (2.19) |
| Experience adjustments on plan liabilities | (22.37) | (13.45) | (16.81) | (0.15) | - |
| Experience adjustments on plan assets | (0.08) | (0.42) | (0.03) | (0.01) | - |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

38. Related Party Disclosure

A) Name of the related parties and nature of relationship

(i) Related parties where control exist and considered for consolidation

Subsidiaries

Amstrad Consumer Products Private Limited
Next Generation Manufacturers Private Limited

(ii) Other related parties with whom transactions have taken place during the year:

Entities in which directors are interested

Vijay Sales India Private Limited
Seawaves Logistics Private Limited
Gurunanak Airtech Private Limited
CPR Distributors Private Limited
Gaurav Distributor
Arihant Refrigeration
Jalan Brothers Private Limited
Bacer Enterprises India Private Limited

Key Management Personnel:

Mr. Nanu Gupta (Chairman and Director)
Mr. Nipun Singhal (Managing Director and Chief Executive Officer)
Mr. Sanjeev Mittal (Chief Financial Officer)
Mr. Nilesh Nanu Gupta (Director)
Ms. Hasmita Shaha (Company Secretary) (with effect from April 01, 2023)
Ms. Priyanka Singh (Company Secretary) (till 28th February 2023)

B) Summary of Transactions with related parties

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| (i) Services rendered | | |
| Mindage Solutions Private Limited | 9.17 | 19.55 |
| Mindage Realty Private Limited | 244.42 | 156.17 |
| Creatigies Communications Private Limited | 95.50 | 75.01 |
| Seawaves Logistics Private Limited | 112.96 | 64.79 |
| Total | 462.05 | 315.52 |
| (ii) Sale of traded goods | | |
| Vijay Sales India Private Limited | 11,186.79 | 5,723.72 |
| Seawaves Logistics Private Limited | 0.80 | 3.01 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

| | | |
|---|------------------|-----------------|
| Gurunanak Airtech Private Limited | 593.29 | 1,265.08 |
| CPR Distributors Private Limited | 698.83 | 88.12 |
| Gaurav Distributors | 65.77 | 107.76 |
| Arihant Refrigeration | 720.79 | 125.06 |
| Jalan Brothers Private Limited | 14.76 | 82.48 |
| Bacer Enterprises India Private Limited | 2,244.94 | 966.87 |
| Total | 15,525.97 | 8,362.10 |
| (iii) Purchase of Goods | | |
| Vijay Sales India Private Limited | 502.53 | 164.11 |
| Gurunanak Airtech Private Limited | 82.06 | 23.70 |
| CPR Distributors Private Limited | 32.01 | 14.07 |
| Gaurav Distributors | 72.94 | 1.51 |
| Arihant Refrigeration | 31.95 | 27.46 |
| Jalan Brothers Private Limited | 39.84 | 14.55 |
| Bacer Enterprises India Private Limited | 327.94 | 68.33 |
| Total | 1,089.27 | 313.73 |
| (iv) Reimbursement of Expenses | | |
| Vijay Sales India Private Limited | 99.83 | 50.66 |
| Total | 99.83 | 50.66 |
| (v) Intercompany Loans Taken | | |
| Vijay Sales India Private Limited | 5,200.00 | 4,000.00 |
| Total | 5,200.00 | 4,000.00 |

B) Summary of Transactions with related parties (Contd..)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| (vi) Intercompany Loans Repayment | | |
| Vijay Sales India Private Limited | 2,900.00 | 4,000.00 |
| Total | 2,900.00 | 4,000.00 |
| (vii) Intercompany Interest Expenses | | |
| Vijay Sales India Private Limited | 286.77 | 185.86 |
| Total | 286.77 | 185.86 |
| (viii) KMP's Remuneration | | |
| Nipun Singhal | 43.87 | 43.87 |
| Sanjeev Mittal | 27.00 | 27.00 |
| Priyanka Singh | 4.13 | 4.50 |
| Total | 75.00 | 75.37 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

*As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified.

C) Related party balances as at year end

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| (i) Trade Receivables | | |
| Vijay Sales India Private Limited | 674.13 | 1,329.11 |
| Mindage Solutions Private Limited | - | 0.09 |
| Seawaves Logistics Private Limited | - | - |
| Gurunanak Airtech Private Limited | 361.69 | 393.92 |
| CPR Distributors Private Limited | 98.24 | 32.00 |
| Gaurav Distributor | 13.44 | 35.71 |
| Arihant Refrigeration | 85.28 | 287.33 |
| Jalan Brothers Private Limited | 12.45 | 43.65 |
| Bacer Enterprises India Private Limited | 981.35 | 697.25 |
| Total | 2,226.58 | 2,819.06 |
| (ii) Other Current Assets | | |
| Mindage Realty Private Limited | 8.00 | - |
| Mindage Solutions Private Limited | - | 7.61 |
| Total | 8.00 | 7.61 |
| (iii) Trade Payables | | |
| Seawaves Logistics Private Limited | 25.42 | 93.82 |
| Creatigies Communications Private Limited | - | 15.36 |
| Mindage Realty Private Limited | 96.33 | 79.41 |
| Total | 121.75 | 188.59 |

39. CONTINGENT LIABILITIES AND COMMITMENTS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Contingent liabilities | | |
| Bank Guarantee submitted to Custom Department for clearance of goods under concessional custom Duty | 34.37 | 230.94 |
| Claim from vendors not acknowledged by the Group (refer note 43(a)) | 1,423.16 | 1,423.16 |
| Commitments | | |
| Estimated value of contracts in capital account remaining to be executed | | |
| (i) For machinery | - | 734.47 |
| (ii) For building (civil construction remaining to be approved by project engineer) | 87.89 | 1,587.51 |
| (iii) For bank guarantee* | 47.00 | - |
| Total | 1,592.42 | 3,976.08 |

*The Group has submitted bank guarantee to custom departments for clearance of plant & machinery under project import and clearance of raw material under concessional custom duty.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

40. EXTRAORDINARY ITEMS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-------------------------|------------------------------|------------------------------|
| Loss on account of Fire | 1,586.47 | - |
| Total | 1,586.47 | - |

Note i: On February 16, 2019, inventory lying at one of the warehouses of the Group, having carrying amount of ₹ 1,254.97 lakhs was destroyed on account of fire at warehouse. The Group had recognized the same as "Loss on account of goods destroyed by fire at warehouse" of ₹ 1,606.08 lakhs and credited "Inventories" by ₹ 1,254.97 lakhs and credited the balance amount under the head "Balance with government authorities" by ₹ 351.11 (for IGST credit reversal). As per agreement with Seawaves Logistics Private Limited (acting forwarding agent of the Group, who handles / manages inventory at the warehouse), the claim is recoverable from them, for which they have given a confirmation as at March 31, 2022 and accordingly the Group had the shown the same as receivable under "Other current assets". During the previous years, the Group had recovered an amount of ₹ 19.61 lakhs by way of sale of scrap and the net receivable as on March 31, 2022 is ₹ 1,586.47 lakhs. During the year, the management has recorded a provision for the same on account of significant delay in the settlement of the claim and confirmations from the Seawaves Logistics Private Limited stating the fact that claim is live and shall be paid subject to approval by the Insurance Company. Further, a letter has been submitted by Seawaves Logistics Private Limited to Insurance Company to pay the claim amount directly to the Group on approval of the claim.

41. CIF VALUE OF IMPORTS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------|------------------------------|------------------------------|
| Capital goods | 1,041.57 | - |
| Traded goods | 3,736.88 | 2,745.93 |
| Total | 4,778.45 | 2,745.93 |

42. EXPENDITURE IN FOREIGN CURRENCY

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Professional consultation fee | 3.28 | 9.44 |
| Reimbursement of expenses of foreign consultant | 2.00 | - |
| Total | 5.28 | 9.44 |

43. (LOSS) PER SHARE (EPS):

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| (a) Basic | | |
| Net (loss) attributable to equity share holders (A) | (3,602.99) | (1,841.17) |
| Weighted average number of equity shares of outstanding during the year (B) | 3,12,95,001 | 1,90,14,102 |
| Basic (Loss) (₹ per equity share of ₹ 10 each) (A / B) | (11.51) | (9.68) |

Dilute EPS has been computed based on potential dilutive impact upon conversion of Share Warrants and Compulsorily Convertible Debentures (CCDs) into equity shares in accordance with the terms of terms of Share Warrant Subscription

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

Agreement and issue of such CCDs (refer note 5 and Note 6 respectively). Further the Group has issued ESOP Options to its employees as disclosed in note 3 which have been considered for computation of diluted EPS. Further since the impact of such potential equity shares in anti-dilutive in nature, Diluted EPS has not been disclosed by the Group.

44. SEGMENT REPORTING

The Group has considered the business segment as the primary reporting segment on the basis that the risk and returns of the Group is primarily determined by the nature of products and services. Consequently, the geographical segment has been considered as a secondary segment.

a) Primary Segment : Business Segment

The Group's operations comprise of only one segment i.e. Home Appliances. The management also reviews and measures the operating results taking the whole business as one segment and accordingly makes decision about resource allocation. In view of the same, separate segmental information is not required to be given as per the requirements of Accounting Standard (AS) 17 "Segment Reporting".

b) Secondary Segment : Geographical Segment

Geographical segment has been identified on the basis of location of the customer and assets i.e. India or outside India

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-----------------------|------------------------------|------------------------------|
| Revenue Within India | 25,586.55 | 22,266.45 |
| Revenue Outside India | - | - |
| Total | 25,586.55 | 22,266.45 |

Segment Assets: All the assets of the company are situated within India. Entire capital expenditure is incurred within India.

45. Other notes

(a) During the previous years, the Group had made a payment of ₹ 1,423.16 lakhs (USD 19.51 lakhs) to its foreign vendor in March 2021, and the vendor later denied to acknowledge the receipt of the amount transferred to their bank account. The Group has taken following steps to investigate the said matter & the investigation is ongoing-

- (a) filed a complaint with Pune Cyber cell;
- (b) filed complaint with United States Secret service and FBI.

The Group has received legal notice on June 22, 2021 from vendor's lawyer wherein they have demanded the above outstanding amount along with the interest. Based on the forensic auditors appointed by the management and assessment performed by the management, it was concluded that the Perpetrator has access to the vendor's employee email's account and had sent an email requesting for change in the bank account. Hence management believes that there was an instance of cyber fraud on vendor and not foresee any liability arising on the Group in respect of the said matter.

Foreign Vendor has filed arbitration with Shanghai International Arbitration Center (SHIAC), after long hearings from both sides SHIAC has reserved its order which is awaited.

(b) The Group has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

Vivekananda Vidya Mandir/284) dated 20 March 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact.

46. Unhedged derivative instruments

Foreign currency exposures on account of trade receivables/trade payables not hedged by derivative instruments are as follows:

| Particulars | As at March 31, 2023 | |
|-----------------------------|----------------------|--------------|
| | Amount (in USD) | Amount (INR) |
| As at March 31, 2023 | | |
| Trade payables | | |
| USD | 23.48 | 1,930.45 |
| Trade receivables | | |
| USD | - | - |
| As at March 31, 2022 | | |
| Trade payables | | |
| USD | 14.05 | 1,065.45 |
| Trade receivables | | |
| USD | - | - |

47. VALUE OF IMPORTS AND INDIGENOUS RAW MATERIALS AND PERCENTAGE OF EACH TO TOTAL CONSUMPTION

| Particulars | Amount | % of consumption |
|--|-----------------|------------------|
| For the year ended March 31, 2023 | | |
| Raw Material | | |
| Imported | - | 0% |
| Indigenous | 1,325.87 | 100% |
| | 1,325.87 | 100% |
| For the year ended March 31, 2022 | | |
| Raw Material | | |
| Imported | - | 0% |
| Indigenous | - | 0% |
| | - | 0% |

48. Additional regulatory information required by Schedule III

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. Pursuant to these amendments, the Company has given the significant additional disclosures, as applicable, in these Financial statement for all the years presented.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. in Lakhs unless otherwise stated)

- i) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the current year and previous year.
- iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- vi) The Group has not revalued its Property, Plant and Equipment in current year and previous year.
- vii) There are no loans or advances in the nature of loans that are granted to promoters, directors, key managerial personnel (KMPs) and the related parties either severally or jointly with any other person, that are: a) Repayable on demand or b) Without specifying any terms or period of repayment.
- viii) The Group has borrowings from bank which is secured against fixed assets and currents assets of the company. The differences between the Quarterly Stock Statement and books of accounts has been reconciled.

| Quarter | Name of bank | Particulars of Securities provided | Nature of Current Asset offered as Security | Amount as reported in the quarterly statement | Amount as per books of account | Amount of difference | Reason for material discrepancies |
|----------------|--------------|--|---|---|--------------------------------|----------------------|-----------------------------------|
| June 2022 | Kotak Bank | Refer note 6 and 9 to the Financial Statements | Inventory | 6,873.63 | 5,834.82 | 1,038.81 | Note 1 |
| | | | Trade Receivable | 4,452.22 | 5,079.34 | (627.12) | Note 2 |
| September 2022 | Kotak Bank | Refer note 6 and 9 to the Financial Statements | Inventory | 5,919.73 | 6,227.29 | (307.56) | Note 3 |
| | | | Trade Receivable | 5,012.25 | 5,105.80 | (93.55) | Note 2 |
| December 2022 | Kotak Bank | Refer note 6 and 9 to the Financial Statements | Inventory | 6,556.06 | 6,778.42 | (222.36) | Note 3 |
| | | | Trade Receivable | 6,384.88 | 6,369.68 | 15.20 | Note 2 |
| March 2023 | Kotak Bank | Refer note 6 and 9 to the Financial Statements | Inventory | 6,737.92 | 6,635.53 | 102.39 | Note 3 |
| | | | Trade Receivable | 6,647.27 | 6,693.91 | (46.64) | Note 2 |

Note 1: The difference in inventory is due to goods in transit is considered in quarterly statements filed by the Company which are not included in books of accounts .

Note 2: The difference in trade receivable is due to non-inclusion of receivable on account of high sea sales in quarterly statements filed by the Company which is included in the books of accounts.

Note 3: The balance of inventory for the respective period reported in the statement filed with the bank does not include amounts relating to Goods in Transit and certain inventory adjustments which are included as part of inventory as per books of accounts.

ix) The Group does not have any transactions with any defunct / struck off companies.

49. Previous year figures

Previous year figures have been reclassified to conform to this year's classification.

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Place: Pune

Date: September 28, 2023

For and on behalf of the Board of Directors of

Amstrad Consumer India Private Limited

(formerly known as OVOT Private Limited)

Nanu Gupta

Chairman and Director

DIN: 00664930

Sanjeev Mittal

Chief Financial Officer

Nipun Singhal

Managing Director and

Chief Executive Officer

DIN: 02026825

Hashmita Saha

Company Secretary

**AMSTRAD CONSUMER PRODUCTS
PRIVATE LIMITED**

INDEPENDENT AUDITOR'S REPORT

To the Members of Amstrad Consumer Products Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Amstrad Consumer Products Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including summary of significant accounting policies and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and loss and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors' report, but

does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of management and those charged with governance for the financial statements

5. 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern

basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

9. 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.

Report on other legal and regulatory requirements

10. This report does not contain a statement on the matters specified in paragraphs 3 and 4 of 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, as in our opinion and accordingly to the information and explanations given to us, the Order is not applicable in the case of the company.

11. 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 and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) Clause (i) of Section 143(3) on internal financial controls with reference to financial statements is not applicable pursuant to notification G.S.R 583(E) dated 13 June 2017.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded

in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 19 to the financial statements);

- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 19 to the financial statements); and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
12. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vivian Pillai
Partner

Place: Pune
Date: September 28, 2023

Membership Number: 127791
UDIN: 23127791BGWBRJ6777

BALANCE SHEET AS AT MARCH 31, 2023*(All amounts are Rs. in Lakhs unless otherwise stated)*

| | Note | As at March 31, 2023 | As at March 31, 2022 |
|--|------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Equity Share capital | 3 | 1.00 | 1.00 |
| Reserves and surplus | 4 | (1.59) | (1.48) |
| Total shareholders' fund | | (0.59) | (0.48) |
| Current liabilities | | | |
| Trade payables | 5 | | |
| - Total outstanding dues of micro and small enterprises | | - | - |
| - Total outstanding dues other than micro and small enterprise | | 17.58 | 11.54 |
| | | 17.58 | 11.54 |
| Total Liabilities | | 17.58 | 11.54 |
| Total Equity and Liability | | 16.99 | 11.06 |
| ASSETS | | | |
| Current assets | | | |
| Inventories | 6 | 0.13 | - |
| Trade receivables | 7 | 12.63 | 8.08 |
| Cash and Bank Balances | 8 | 4.05 | 2.44 |
| Short-term loans and advances | 9 | 0.18 | 0.54 |
| Total Assets | | 16.99 | 11.06 |

Statement of Significant Accounting Policies

2.2

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

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

**For and on behalf of the Board of Directors of
Amstrad Consumer Products Private Limited
CIN: U51399PN2019PTC182132**

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Vivek Shukla

Director

DIN: 09217443

Sanjeev Mittal

Director

DIN: 07553773

Place: Pune**Date:** September 28, 2023

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

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Note | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------|------------------------------|------------------------------|
| INCOME | | | |
| Revenue from operations | 10 | 71.65 | 39.83 |
| Other income | 11 | 0.03 | - |
| Total Income | | 71.68 | 39.83 |
| EXPENSES | | | |
| Purchase of stock-in-trade | 12 | 67.63 | 36.72 |
| Finance costs | 13 | 0.01 | - |
| Other Expenses | 14 | 4.15 | 3.27 |
| Total Expenses | | 71.79 | 39.99 |
| (Loss)/Profit before tax | | (0.11) | (0.16) |
| Tax expense | | | |
| Current Tax | | - | - |
| Deferred tax | | - | - |
| (Loss)/Profit for the year | | (0.11) | (0.16) |
| Earning per equity share: Nominal Value per share : ₹ 10 | | | |
| Basic and Diluted | 17 | (1.10) | (1.60) |

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

As per our report on even date
For Price Waterhouse Chartered Accountants LLP
 Firm Registration Number: 012754N/N500016

**For and on behalf of the Board of Directors of
 Amstrad Consumer Products Private Limited
 CIN: U51399PN2019PTC182132**

Vivian Pillai
 Partner
 Membership Number: 127791
 UDIN:

Vivek Shukla
 Director
 DIN: 09217443

Sanjeev Mittal
 Director
 DIN: 07553773

Place: Pune
Date: September 28, 2023

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023*(All amounts are Rs. Lakhs unless otherwise stated)*

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| A. Cash flow from operating activities | | |
| Loss before tax | (0.11) | (0.16) |
| Adjustments for: | | |
| Finance costs | 0.01 | - |
| Interest income on bank balance | (0.03) | - |
| Operating loss before working capital changes | (0.13) | (0.16) |
| Changes in working capital: | | |
| Increase / (Decrease) in trade payables | 6.09 | 11.18 |
| (Increase) / Decrease in trade receivables | (4.55) | (8.08) |
| (Increase) / Decrease in loans and advances | 0.18 | (0.54) |
| Cash generated used in operations | 1.59 | 2.40 |
| Direct taxes paid | | |
| Net cash flows from / (used in) operating activities (A) | 1.59 | 2.40 |
| B. Cash flow from investing activities | | |
| Interest received on bank balance | 0.03 | - |
| Net cash flows used in investing activities (B) | 0.03 | - |
| C. Cash flow from financing activities | | |
| Interest and other finance cost paid | (0.01) | - |
| Net cash flows generated from financing activities (C) | (0.01) | - |
| Net decrease in cash and cash equivalents [A + B + C] | 1.61 | 2.40 |
| Cash and cash equivalents at the beginning of the year (refer note 8) | 2.44 | 0.04 |
| Cash and cash equivalents at the end of the year (refer note 8) | 4.05 | 2.44 |
| Cash and cash equivalents comprise of: | | |
| Bank balances: | | |
| In current accounts | 4.05 | 2.44 |
| Total | 4.05 | 2.44 |

Note:

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 "Cash Flow Statements" prescribed in the Companies (Accounting Standards) Rules, 2006, as amended.

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

For and on behalf of the Board of Directors of

Amstrad Consumer Products Private Limited

CIN: U51399PN2019PTC182132

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Vivek Shukla

Director

DIN: 09217443

Sanjeev Mittal

Director

DIN: 07553773

Place: Pune

Date: September 28, 2023

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

1 General information:

Amstrad Consumer Products Private Limited (“the Company”) is domiciled in Maharashtra, India and is incorporated on February 12, 2019 under the provisions of the Companies Act, 2013. The Company is engaged in business of trading and distribution of consumer durable products / home appliances viz. Air Conditioners, Televisions, Washing Machines, Iron and Dryers. The Company has not commenced any business operations as at the end of reporting year. The address of its registered office is Office No. Plot No. F-3, MIDC, Supa-Parner, Ahmednagar 414301, Maharashtra, India. The CIN of the Company is U51399PN2019PTC182132.

2 Summary of Significant accounting policies**2.1 Basis of preparation**

These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2021, specified under section 133 and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the schedule III (Division I) to the Act. Based on the nature of products/services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

2.2 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management. Subsequent costs related to an item of Property, Plant and Equipment are recognised in the carrying amount of the item if the recognition criteria are met.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, based on technical evaluation done by management’s expert taking into account the nature of the assets, their estimated period of use and the operating conditions. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate. The company does not hold any Property, Plant and Equipment as at end of reporting period.

2.3 Impairment of Assets:

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset’s or cash generating unit’s net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

2.4 Revenue Recognition

Sale of goods:

Sale of goods are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which generally occurs on dispatch of goods and are recognised net of trade discounts, rebates and taxes.

2.5 Current and deferred tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the prevailing taxation laws.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.6 Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic

benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.7 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.8 Earnings per Share

Basic earnings per share is 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 and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources

2.9 Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

3. EQUITY SHARE CAPITAL

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Authorised capital | | |
| 10,000 (31 March 2022 : 10,000) equity shares of ₹ 10 each | 1.00 | 1.00 |
| | 1.00 | 1.00 |
| Issued, subscribed and fully paid-up | | |
| 10,000 (31 March 2022 : 10,000) equity shares of ₹ 10 each | 1.00 | 1.00 |
| Total | 1.00 | 1.00 |

(a) Reconciliation of number of Equity Shares

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|-------------|----------------------|-------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Balance as at the beginning of the year | 10,000 | 1.00 | 10,000 | 1.00 |
| Add: Issued during the year | - | - | - | - |
| Balance as at the end of the year | 10,000.00 | 1.00 | 10,000.00 | 1.00 |

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

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

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-------------------|----------------------|-------------------|
| | No. of Shares | % of total shares | No. of Shares | % of total shares |
| Equity Shares of ₹10 each fully paid up held by Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) | 9,999.00 | 0.99 | 9,999.00 | 0.99 |
| Sanjeev Mittal (holding on behalf of Amstrad Consumer India Private Limited formerly known as OVOT Private Limited) | 1.00 | 0.00* | 1.00 | 0.00* |
| Total | 10,000.00 | 1.00 | 10,000.00 | 1.00 |

(d) Details of Shareholding of Promoters

| Name of shareholder | As at March 31, 2023 | | | As at March 31, 2022 | | |
|--|----------------------|-----------------------------|--------------------------|----------------------|-----------------------------|--------------------------|
| | Number of Shares | % of total number of shares | % Change during the year | Number of Shares | % of total number of shares | % Change during the year |
| Amstrad Consumer India Private Limited (formerly know as OVOT Private Limited) | 10,000 | 100% | - | 10,000 | 100% | - |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

3. EQUITY SHARE CAPITAL (CONTD..)

(e) The Company was incorporated on February 12, 2019, there was no issue of shares for consideration other than cash, issue of bonus shares, and buy back of shares during the previous three years immediately preceding the balance sheet date hence the disclosure for the same is not applicable.

4. RESERVES AND SURPLUS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Retained earnings | | |
| Balance as at the beginning of the year | (1.48) | (1.32) |
| Add : Loss for the year | (0.11) | (0.16) |
| Total | (1.59) | (1.48) |

5. TRADE PAYABLES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Trade Payables | | |
| Total outstanding dues of micro enterprises and small enterprises (refer note below) | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 17.58 | 11.54 |
| Total | 17.58 | 11.54 |
| Break up of payable balances | | |
| Payable to related parties (refer note 15) | 17.58 | - |
| Total | 17.58 | - |

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

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at year end | - | - |
| Interest due to suppliers under MSMED Act and remaining unpaid as at year end* | - | - |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

5. TRADE PAYABLES (CONTD..)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| 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 MSMED Act* | - | - |
| Interest accrued and remaining unpaid at the end of the accounting year* | - | - |
| Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act* | - | - |

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from “suppliers”/ information available with the Company regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. I OVOT not on MSME

*Amount below rounding off convention adopted by the company.

The trade payables ageing schedule for the year ended as on March 31, 2023 is as follow:

| Particulars | Unbilled | Outstanding for the current period | | | | | Total |
|---------------------------|----------|------------------------------------|---------------------|-----------|-----------|----------------------|--------------|
| | | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| 1) MSME - Undisputed | - | - | - | - | - | - | - |
| 2) Others - Undisputed | - | - | 17.58 | - | - | - | 17.58 |
| 3) Disputed dues - MSME | - | - | - | - | - | - | - |
| 4) Disputed dues - Others | - | - | - | - | - | - | - |
| Total | - | - | 17.58 | - | - | - | 17.58 |

The trade payables ageing schedule for the year ended as on March 31, 2022 is as follow:

| Particulars | Unbilled | Outstanding for the current period | | | | | Total |
|---------------------------|----------|------------------------------------|---------------------|-------------|-------------|----------------------|--------------|
| | | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| 1) MSME - Undisputed | - | - | - | - | - | - | - |
| 2) Others - Undisputed | - | - | 11.18 | 0.29 | 0.07 | - | 11.54 |
| 3) Disputed dues - MSME | - | - | - | - | - | - | - |
| 4) Disputed dues - Others | - | - | - | - | - | - | - |
| Total | - | - | 11.18 | 0.29 | 0.07 | - | 11.54 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

6. INVENTORIES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Traded Goods (includes in transit : ₹ Nil ; March 31, 2022 : ₹ Nil) | 0.13 | - |
| Total | 0.13 | - |

Category wise break up of inventory

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------|-------------------------|-------------------------|
| Dish washer | 0.13 | - |
| Total | 0.13 | - |

7. TRADE RECEIVABLES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Unsecured, considered good | 12.63 | - |
| Unsecured considered doubtful | - | - |
| Less: Provision for doubtful debts | - | - |
| Total | 12.63 | - |
| Break up of receivable balances | | |
| Receivable from related parties (refer note 15) | - | - |
| Others | 12.63 | 8.08 |
| Total | 12.63 | 8.08 |

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

The trade receivables ageing schedule for the year ended as on March 31, 2023 is as follow:

| Particulars | Outstanding for the current period | | | | | | Total |
|-------------------------------------|------------------------------------|-----------------------|---------------------|-----------|-----------|----------------------|--------------|
| | Not Due | Less than 6 months | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables | | | | | | | |
| Unsecured, Considered Good | - | 12.63 | - | - | - | - | 12.63 |
| Considered Doubtful | - | - | - | - | - | - | - |
| Total | - | 12.63 | - | - | - | - | 12.63 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

7. TRADE RECEIVABLES (CONTD..)

The trade receivables ageing schedule for the year ended as on March 31, 2022 is as follow:

| Particulars | Outstanding for the current period | | | | | | Total |
|-------------------------------------|------------------------------------|--------------------|------------------|-----------|-----------|-------------------|-------------|
| | Not Due | Less than 6 months | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables | | | | | | | |
| Unsecured, Considered Good | - | 7.78 | 0.30 | - | - | - | 8.08 |
| Considered Doubtful | - | - | - | - | - | - | - |
| Total | - | 7.78 | 0.30 | - | - | - | 8.08 |

There are no unbilled dues as on March 31, 2023 and March 31, 2022.

The aging for trade receivable has been prepared on the basis of the due date of invoices.

8. CASH AND BANK BALANCES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------|----------------------|----------------------|
| Balances with Bank | | |
| In Current Accounts | 4.05 | 2.44 |
| Total | 4.05 | 2.44 |

9. SHORT-TERMS LOANS AND ADVANCES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------|----------------------|----------------------|
| Other Loans and Advances | | |
| Prepaid expenses | 0.08 | 0.23 |
| Balance with government authorities | 0.09 | 0.16 |
| Advance income tax (Net of provision) | 0.01 | 0.15 |
| Total | 0.18 | 0.54 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

10. REVENUE FROM OPERATIONS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-------------------------|------------------------------|------------------------------|
| Sale of products | | |
| Traded goods | 71.65 | 39.83 |
| Total | 71.65 | 39.83 |

Disclosure of sales of traded goods

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Air conditioners | 43.54 | 29.09 |
| LED TV | 21.90 | 2.54 |
| Washing Machine | 4.93 | 1.16 |
| Dishwasher | 0.34 | 0.28 |
| Vacuum Cleaner | 0.36 | 1.01 |
| Garment Steamer | 0.15 | 0.19 |
| Dryer | 0.10 | 5.49 |
| Iron | 0.05 | 0.04 |
| Components, Spare Parts & Other Samples | 0.28 | 0.03 |
| Total | 71.65 | 39.83 |

11. OTHER INCOME

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------------------------|------------------------------|------------------------------|
| Interest income on bank balance | 0.03 | - |
| Total | 0.03 | - |

12. PURCHASE OF STOCK-IN-TRADE

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-----------------------------|------------------------------|------------------------------|
| Purchases of stock-in-trade | 67.76 | 36.72 |
| Total | 67.76 | 36.72 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

12. PURCHASE OF STOCK-IN-TRADE (CONTD..)

Breakup of purchase stock in trade

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Air conditioners | 40.43 | 27.20 |
| LED TV | 21.13 | 2.45 |
| Washing Machine | 4.93 | 1.02 |
| Dishwasher | 0.34 | 0.25 |
| Vacuum Cleaner | 0.35 | 0.73 |
| Garment Steamer | 0.15 | 0.14 |
| Dryer | 0.10 | 4.82 |
| Iron | 0.05 | 0.02 |
| Components,Spare Parts & Other Samples | 0.28 | 0.09 |
| Total | 67.76 | 36.72 |

13. FINANCE COSTS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------|------------------------------|------------------------------|
| Bank charges | 0.01 | - |
| Total | 0.01 | - |

14. OTHER EXPENSES (REFER NOTE I BELOW)

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------------------|------------------------------|------------------------------|
| Insurance | 0.10 | 0.15 |
| Rates and taxes | - | 0.01 |
| Office Expenses | - | 0.06 |
| Support Service Charges | - | 1.05 |
| Payment to Auditor* | - | - |
| Statutory audit fee (Refer Note 16) | 0.10 | 0.10 |
| Legal and professional fees | 0.20 | 0.22 |
| Advertisement and publicity expenses | 0.16 | 1.48 |
| Miscellaneous expenses | 3.59 | 0.20 |
| Total | 4.15 | 3.27 |

*Amount is below rounding off

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

15 Related Party Disclosure

A) Name of the related parties and nature of relationship

(i) Related parties where control exist

Where control exists :

| Name of Related Party | Nature of Relationship |
|--------------------------------|------------------------|
| Consumer India Private Limited | Holding Company |

B) Summary of Transactions with related parties

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-------------------|------------------------------|------------------------------|
| Purchase of Goods | 67.63 | 36.72 |
| Total | 67.63 | 36.72 |

C) Outstanding balances as at year end

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|----------------|------------------------------|------------------------------|
| Trade Payables | 14.76 | 11.08 |
| Total | 14.76 | 11.08 |

16. PAYMENT TO AUDITORS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------------|------------------------------|------------------------------|
| As Auditor : | | |
| Audit fees | 0.10 | 0.10 |
| Total | 0.10 | 0.10 |

17. (LOSS) PER SHARE (EPS):

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| (a) Basic | | |
| Net (loss)/ profit attributable to equity share holders (A) | (0.11) | (0.16) |
| Weighted average number of equity shares of outstanding during the year (B) | 10,000 | 10,000 |
| Basic (Loss) / Earning per share (Rs. per equity share of Rs.10 each) (A / B) | (1.10) | (1.60) |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

18. Financial ratios

| Ratio | Numerator | Denominator | March 31, 2023 | March 31, 2022 | Change % | Remarks |
|---|-------------------------------------|--|----------------|----------------|----------|---|
| Current ratio (in times) | Total current assets | Total current liabilities | 0.97 | 0.96 | 1.0% | Movement is on account of higher credit period from vendors |
| Return on equity ratio (in %) | Loss Profit after taxes | Average Shareholder's Equity ((Opening + Closing)/2) | 5.14% | 40.00% | -87.2% | Movement is driven by reduction in loss during the year as compare to last year. |
| Trade receivables turnover ratio (in times) | Revenue from operations | Average trade receivables ((Opening + Closing)/2) | 6.92 | 2.46 | 181.3% | Movement is on account of trade receivable as there were less operation last year |
| Trade payables turnover ratio (in times) | Net Credit Purchases | Average trade payables ((Opening + Closing)/2) | 4.64 | 6.17 | -24.8% | Movement on account of increase in Trade payables to related parties |
| Net capital turnover ratio (in times) | Revenue from operations | Average Working capital = Total current assets - total current liabilities | -66.99 | -49.79 | 34.5% | Movement is driven by excess loss during the year |
| Net profit ratio (in %) | Profit for the year | Revenue from operations | -0.15% | -0.40% | -62.5% | Movement as on account of reduce the sale |
| Return on capital employed (in %) | Profit before tax and finance costs | Capital Employed | -11.00% | -16.00% | -31.3% | Movement is driven by excess loss during the year |
| Return on investment (in %) | Profit before tax and finance costs | Average total assets ((Opening + Closing)/2) | -2.50% | 33.33% | -107.5% | Movement is driven by excess loss during the year |

Following ratios are not considered relevant since company does not have any debt.

- Debt - Equity Ratio
- Debt service coverage ratio
- Inventory turnover ratio

19 Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

(i) Borrowing secured against current assets

The company has no borrowings from banks, financial institutions and any other entity which is secured by current assets of the company

(ii) Wilful defaulter

The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

(iv) Compliance with approved scheme(s) of arrangements

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(v) Utilisation of borrowed funds and share premium

The company has not advanced or loaned or invested funds to any other person or entity, 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.

The company has not received any fund from any person or entity, 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

(vi) The Company has complied with number of layers prescribed under the Companies Act, 2013

(vii) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the Statutory Period.

(vii) Details of crypto currency or virtual currency

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

20 (ii) The other matters as required under paragraph “Y - Additional Regulatory Information” under Part I of Division I of Schedule III of the Companies Act, 2013 and Paragraph 5(ix), 5(x) and 5(xi) of Part II of Division I of Schedule III to Companies Act 2013 are either not applicable or there are no reportable matters.

21 In the previous year, the Company was a Small and Medium Sized Company (SMC) as defined in the General Instructions to the Companies (Accounting Standards) Rules, 2006, as amended and therefore was exempted from certain disclosures requirements.

22 Previous year’s figures have been regrouped/reclassified to confirm to current year’s classification.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

**For and on behalf of the Board of Directors of
Amstrad Consumer Products Private Limited
CIN: U51399PN2019PTC182132**

Vivian Pillai
Partner
Membership Number: 127791
UDIN:

Vivek Shukla
Director
DIN: 09217443

Sanjeev Mittal
Director
DIN: 07553773

Place: Pune
Date: September 28, 2023

**Next Generation Manufacturers
Private Limited**

INDEPENDENT AUDITOR'S REPORT

To the Members of Next Generation Manufacturers Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Next Generation Manufacturers Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, profit, and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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.

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are

appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. 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.

Report on other legal and regulatory requirements

10. 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.
- (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.

- ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 39 to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 39 to the financial statements); and

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 11(g) of the Independent Auditors' Report of even date to the members of Next Generation Manufacturers Private Limited on the financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Next Generation Manufacturers Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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.

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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.
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 financial statements.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing 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 financial statements was established and maintained and if such controls operated effectively in all material respects.
6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

Meaning of Internal Financial Controls with reference to financial statements

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.

Basis of Qualified Opinion

8. According to the information and explanations given to us and based on our audit, a material weakness has been identified as at March 31, 2023, as the Company did not have appropriate internal control system for ensuring compliance with over preparation of financial statements,

which could potentially result in having impact on the Company.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

10. In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference to financial statements and except for the indeterminate effects of the material weakness described in the 'Basis for Qualified Opinion' section of our report, such internal financial controls with reference to financial statements were operating effectively as of March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Place: Pune

Membership Number: 127791

Date: September 28, 2023

UDIN: 23127791BGWBRA3318

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Next Generation Manufacturers Private Limited on the financial statements as of and for the year ended March 31, 2023

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account.
- (c) 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 11 to the financial statements, are held in the name of the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Companies Act, 2013 ('the Act'). Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular

- in depositing undisputed statutory dues in respect of statutory dues, including provident fund, income tax, and other material statutory dues, though there has been a slight delay in a few cases, and is regular in depositing undisputed, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, goods and services tax and value added tax as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained (refer note 5 of the financial statement).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has used funds raised on short-term basis aggregating Rs. 412.02 lakhs for long-term purposes.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard 18 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. The Company is not mandated to have an internal audit system during the year.
- xv. The Company has entered into non-cash transactions with its directors or persons connected with him, in compliance with the provisions of Section 192 of the Act.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs other than the Company. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses of Rs. 95.15 lakhs in the financial year and of Rs. 65.22 lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 35 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) (a) and (b) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Vivian Pillai

Partner

Place: Pune

Membership Number: 127791

Date: September 28, 2023

UDIN: 23127791BGWBRA3318

BALANCE SHEET AS AT MARCH 31, 2023*(All amounts are Rs. in Lakhs unless otherwise stated)*

| | Note | As at March 31, 2023 | As at March 31, 2022 |
|--|------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Equity share capital | 3 | 1.00 | 1.00 |
| Reserves and surplus | 4 | (245.52) | (86.06) |
| Total Shareholders' fund | | (244.52) | (85.06) |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 6,150.00 | 2,700.00 |
| Long-term provisions | 7 | 0.85 | - |
| | | 6,150.85 | 2,700.00 |
| Current liabilities | | | |
| Short term borrowings | 6 | 350.00 | - |
| Trade payables | 8 | | |
| - Total outstanding dues of micro and small enterprises | | 45.93 | 2.40 |
| - Total outstanding dues other than micro and small enterprise | | 3,266.84 | - |
| Other current liabilities | 9 | 186.42 | 105.82 |
| Deferred tax liability | 13 | 6.09 | |
| Short-term provisions | 10 | - | 0.11 |
| | | 3,855.28 | 108.33 |
| Total liabilities | | 10,006.13 | 2,808.33 |
| Total equity and liabilities | | 9,761.61 | 2,723.27 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 11 | 6,164.49 | - |
| Capital work-in-progress | 12 | 18.66 | 2,488.94 |
| Long-term loans and advances | 14 | 23.23 | 203.47 |
| Other non current assets | 15 | 111.97 | - |
| | | 6,318.35 | 2,692.41 |
| Current assets | | | |
| Inventories | 16 | 2,049.82 | - |
| Trade receivables | 17 | 563.39 | - |
| Cash and bank balances | 18 | 33.85 | 17.17 |
| Short-term loans and advances | 19 | 796.20 | 13.69 |
| | | 3,443.26 | 30.86 |
| Total Assets | | 9,761.61 | 2,723.27 |

Statement of Significant Accounting Policies

2.2

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

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

**For and on behalf of the Board of Directors of
Next Generation Manufacturers Private Limited****CIN: U31904PN2019PTC187587****Vivian Pillai**

Partner

Membership Number: 127791

UDIN:

Vivek Shukla

Director

DIN: 09217443

Sanjay Mane

Director

DIN: 07721315

Place: Pune**Date:** September 28, 2023

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

(All amounts are Rs. in Lakhs unless otherwise stated)

| Particulars | Note | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------|------------------------------|------------------------------|
| INCOME | | | |
| Revenue from operations (net) | 20 | 506.56 | - |
| Other income | 21 | 6.49 | 0.40 |
| Total income | | 513.05 | 0.40 |
| EXPENSES | | | |
| Cost of materials consumed | 22 | 1,325.72 | - |
| Purchases of stock-in-trade | | 3.60 | |
| Changes in inventories of finished goods and work-in progress | 23 | (962.00) | - |
| Employee benefits expense | 24 | 31.68 | 27.60 |
| Finance costs | 25 | 38.92 | 26.02 |
| Depreciation expense | 26 | 58.21 | - |
| Other expenses | 27 | 170.28 | 11.89 |
| Total Expenses | | 666.41 | 65.51 |
| (Loss) before tax | | (153.36) | (65.11) |
| Tax expense | | | |
| Current Tax | | | 0.11 |
| Deferred tax | | 6.10 | - |
| Total Expenses | | 6.10 | 0.11 |
| (Loss) after tax | | (159.46) | (65.22) |
| (Loss) per share (Face Value ₹ 10 each) | 32 | | |
| Basic | | (1,594.60) | (652.20) |

Statement of Significant Accounting Policies 2.2

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

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

**For and on behalf of the Board of Directors of
Next Generation Manufacturers Private Limited
CIN: U31904PN2019PTC187587**

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Vivek Shukla

Director

DIN: 09217443

Sanjay Mane

Director

DIN: 07721315

Place: Pune

Date: September 28, 2023

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023*(All amounts are Rs. Lakhs unless otherwise stated)*

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| A. Cash flow from operating activities | | |
| (Loss) / profit before tax | (153.36) | (65.11) |
| Adjustments for : | | |
| Depreciation expense | 58.21 | - |
| Interest income on bank deposits | (2.26) | (0.40) |
| Finance costs | 38.92 | 26.02 |
| Operating profit before working capital changes | (58.49) | (39.49) |
| Changes in working capital: | | |
| (Increase) in loan and advances | (781.60) | (5.77) |
| (Increase) in trade receivables | (563.39) | - |
| (Increase) in inventories | (2,049.82) | - |
| (Increase) in other assets | (11.19) | - |
| Increase in other current liability | 1.02 | 13.58 |
| Increase in provision | 0.85 | - |
| Increase in trade payables | 3,310.37 | 0.43 |
| Cash used in operations | (152.25) | (31.25) |
| Direct taxes paid | (1.02) | - |
| Net cash flows from / (used in) operating activities (A) | (153.27) | (31.25) |
| B. Cash flows from investing activities | | |
| Purchase of fixed assets | (3,298.21) | (2,358.06) |
| Investment in fixed deposits | (100.78) | - |
| Interest received on bank deposits | 2.26 | 0.40 |
| Net cash flows used in investing activities (B) | (3,396.73) | (2,357.66) |
| C. Cash flow from financing activities | | |
| Finance costs paid* | (233.32) | (26.02) |
| Proceeds from long term borrowings | 3,800.00 | 2,400.00 |
| Net cash flows generated from financing activities (C) | 3,566.68 | 2,373.98 |
| Net increase/ (decrease) in cash and cash equivalents (A+B+C) | 16.68 | (14.93) |
| Cash and cash equivalents at the beginning of the year | 17.17 | 32.10 |
| Cash and cash equivalents at the end of the year (Refer note 18) | 33.85 | 17.17 |

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------------------|------------------------------|------------------------------|
| Balance with banks | | |
| In current accounts | 33.85 | 17.17 |
| | 33.85 | 17.17 |

* Including interest capitalised during the year (refer note 11)

Note:

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 "Cash Flow Statements" prescribed in the Companies (Accounting Standards) Rules, 2006, as amended.

The accompanying notes are an integral part of these Standalone Financial Statements.

Statement of Significant Accounting Policies 2.2

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

As per our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

**For and on behalf of the Board of Directors of
Next Generation Manufacturers Private Limited**

CIN: U31904PN2019PTC187587

Vivian Pillai

Partner

Membership Number: 127791

UDIN:

Vivek Shukla

Director

DIN: 09217443

Sanjay Mane

Director

DIN: 07721315

Place: Pune

Date: September 28, 2023

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

1 Background

Next Generation Manufacturers Private Limited (“the Company”) is domiciled in Maharashtra, India and is incorporated on November 04, 2019 under the provisions of the Companies Act, 2013. The Company is engaged in business of manufacturing of consumer durable products / home appliances viz. Air Conditioners and Televisions. The Company has commenced its commercial production with effect from 03rd February 2023.

The address of its registered office is Plot No. F-3, MIDC, Supa-Parner, Ahmednagar 414301, Maharashtra, India. The CIN of the Company is U31904PN2019PTC187587 Date 04th November 2019.

2 Summary of Significant accounting policies

The accounting policies set out below have been applied consistently to the years presented in these financial statements.

2.1 Basis of preparation of financial statements

A These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis, except for certain tangible assets which are being carried at revalued amounts. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Companies Act, 2013.

B Current – non- current classification

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company’s normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in the company normal operating cycle;
- (b) It is held primarily for the purpose of being traded;
- (c) It is due to be settled within 12 months after the reporting date; or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company’s normal operating cycle is 12 months.

2.2 Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income, expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition, construction and installation of the property, plant and equipment. Borrowing costs directly attributable to acquisition or construction of property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use are capitalised. Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation is provided on pro-rata basis i.e. from the date on which asset is ready to use.

Useful life:

Depreciation on property, plant and equipment is provided on straight-line method, from the date on which the asset is ready for use, based on useful life as prescribed by Schedule II to the Companies Act, 2013 as below:

| Asset Category | Estimated Useful life (In years) |
|-----------------------|-------------------------------------|
| Factory Building | 30 |
| Office Building | 60 |
| Plant & Machinery | 15 |
| Office Equipment | 5 |
| Furniture & Fixture | 10 |
| Computers & Softwares | 3 |

2.4 Intangible fixed assets

Intangible fixed assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets consisting of software is amortised on straight line basis over the estimated economic useful life of three years, based on management estimate.

2.5 Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised with a corresponding liability; at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. The payment of minimum lease payments is apportioned between finance charges, which are recognized as an interest expense in the Statement of Profit and Loss and reduction in lease obligations, recorded at the inception of the lease.

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term.

2.6 Inventories

Inventories which comprise traded goods are carried at lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, Weighted Average Cost method is used.

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

Demo stock is written off 100% in year of Purchase itself. Goods in transit are stated at purchase cost.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

2.7 Revenue Recognition

Revenue from sales of products is recognised on transfer of all significant risks and rewards of ownership to the buyer. Revenue from services is recognised when the service is rendered. Revenues from sales of products and services are stated exclusive of trade discounts, rebates and goods and services tax (GST).

2.8 Employee benefits

a Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

b (i) Defined benefit plans :

The employees' gratuity and provident fund schemes are defined benefit plans. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation carried out by an independent actuary, using the projected unit credit method. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss. Only changes enacted before the Balance Sheet date are considered whilst determining the obligation.

Provident Fund: Contribution towards provident fund for all employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Termination Benefits: Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit and Loss as and when incurred.

2.9 Impairment

The carrying amounts of the Company's assets including intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indications exist, the assets recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reinstated at the recoverable amount subject to a maximum of depreciable historical cost.

2.10 Foreign currency transactions

Transactions denominated in foreign currency are recorded at rates that approximate the exchange rate prevailing on the date of the respective transaction.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year. Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

2.11 Taxation

Income-tax expense comprises current tax and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that they will be realised in future. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

2.12 Earnings per share (EPS)

Basic earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti-dilutive.

2.13 Provisions and Contingencies

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

2.14 Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may,

but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.15 Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

3. EQUITY SHARE CAPITAL

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| Authorised capital | | |
| 10,000,000 (March 31, 2022: 10,000,000) equity shares of ₹ 10 each | 100.00 | 100.00 |
| | 100.00 | 100.00 |
| Issued, subscribed and fully paid-up | | |
| 10,000 (March 31, 2022 : 10,000) Equity shares of ₹ 10 each | 1.00 | 1.00 |
| Total | 1.00 | 1.00 |

(a) Reconciliation of number of Equity Shares

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|-------------|----------------------|-------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Balance as at the beginning of the year | 10,000.00 | 1.00 | 10,000.00 | 1.00 |
| Add: Issued during the year | - | - | - | - |
| Balance as at the end of the year | 10,000.00 | 1.00 | 10,000.00 | 1.00 |

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

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

There are no issue of bonus shares, shares issued for consideration other than cash, and shares bought back during the year. Further, the Company has not declared dividend during the year.

(c) Shares held by holding company and its subsidiary

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-------------------|----------------------|-------------------|
| | No. of Shares | % of total shares | No. of Shares | % of total shares |
| Equity Shares of ₹10 each fully paid up held by Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) | 9,999.00 | 0.99 | 9,999.00 | 0.99 |
| Sanjeev Mittal (holding on behalf of Amstrad Consumer India Private Limited formerly known as OVOT Private Limited) | 1.00 | 0.00* | 1.00 | 0.00* |
| Total | 10,000.00 | 1.00 | 10,000.00 | 1.00 |

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

| Name of shareholder | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|-------------------|----------------------|-------------------|
| | No. of Shares | % of total shares | No. of Shares | % of total shares |
| Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) | 10,000.00 | 100.00% | 10,000.00 | 100.00% |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

3. EQUITY SHARE CAPITAL (CONTD..)

(e) Disclosure for shares held by promoters

| March 31, 2023 | | | | | |
|---|--|--------|----------------------------------|-------------------|---------------------------|
| Promoters' shareholding | No. of shares at beginning of the year | Change | No. of shares at the end of year | % of total shares | % changed during the year |
| Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) | 10,000.00 | - | 10,000.00 | - | - |

| March 31, 2022 | | | | | |
|---|--|--------|----------------------------------|-------------------|---------------------------|
| Promoters' shareholding | No. of shares at beginning of the year | Change | No. of shares at the end of year | % of total shares | % changed during the year |
| Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) | 10,000.00 | - | 10,000.00 | - | - |

4. RESERVES AND SURPLUS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Deficit of statement of profit or loss | | |
| Balance as at the beginning of the year | (86.06) | (20.84) |
| Add : Loss for the year | (159.46) | (65.22) |
| Total | (245.52) | (86.06) |

5. BORROWINGS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Long-term borrowings | | |
| Secured: | | |
| Term loans from banks (refer note a below) | 1,500.00 | - |
| Unsecured: | | |
| 1,50,000 (March 31, 2022: 1,50,000) 0.00% Compulsorily convertible debentures of ₹ 1,000 each fully paid up (refer note b below) (refer note 34) | 1,500.00 | 1,500.00 |
| Inter company loan (refer note c below) (refer note 34) | 3,150.00 | 1,200.00 |
| Total | 6,150.00 | 2,700.00 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

6. SHORT TERM BORROWINGS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Current maturities of Inter company loan (unsecured) (refer note c below) | 350.00 | - |
| Total | 350.00 | - |

Note a: Term loan from bank

The Company availed term loan of ₹ 1,500.00 lakhs (31 March 2022: Rs. Nil lakhs) from bank for the purpose of construction of factory. The term loan carries interest based on PLR - 4.80% p.a. payable monthly. The term loan is to be repaid in 66 monthly instalments as mentioned in the repayment schedule from the month after completion of moratorium period of 18 months from the date of first disbursement.

The term loan is secured by:

- a) pari passu charge on the moveable and immovable fixed assets (present and future) of the Company along with other member banks under multiple banking arrangement.
- b) pari passu second charge on the moveable and immovable fixed assets (present and future) of the Company at plot no F-3 MIDC Supa Parner, Ahmednagar - 414301 along with other member banks under multiple banking arrangement.

There were no financial covenants mentioned in the term loan agreement availed with the Company as on March 31, 2023.

Note b: Compulsorily convertible debentures

The Company has issued 1,50,000 (March 31, 2022 : 1,50,000) 0% Compulsorily convertible debentures (CCDs) with face value of ₹ 1,000 each to Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited). These CCDs were issued by the Company in four tranches as mentioned below:

Tranche 1: 20, 000 CCDs allotted on September 02, 2020

Tranche 2: 10, 000 CCDs allotted on October 05, 2020

Tranche 3: 60, 000 CCDs allotted on January 21, 2022

Tranche 4: 60, 000 CCDs allotted on January 21, 2022

These CCDs are convertible into such number of equity shares of face value of ₹ 10 each on December 31, 2023 based on the fair valuation of the equity shares as on the date of such conversion restricted to minimum 1 share to each CCD holder.

The new equity shares issued on conversion of CCD's will rank pari passu in all respects with existing issued and subscribed Equity Shares of the Company subject to Memorandum and Articles of Association of the company.

Note c: Inter company loan

The Company has availed unsecured loan amounting to ₹ 3,500.00 lakhs (March 31, 2022: 1,200.00 lakhs) from Vijay Sales India Private Limited such loan is repayable in 10 annual installments and carries fixed interest rate of 9.00% p.a.

7. LONG-TERM PROVISIONS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Provision for employee benefits (Refer note 33) | | |
| Provision for gratuity (net of fair value of planned asset of ₹ 1.92 lakhs (March 31, 2022: ₹ Nil lakhs) | 0.85 | - |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

| | | |
|--------------|-------------|----------|
| Total | 0.85 | - |
|--------------|-------------|----------|

8. TRADE PAYABLES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|---------------------------------|---------------------------------|
| Current | | |
| Trade payables | | |
| Total outstanding dues of micro and small enterprises (refer note a below) | 45.93 | 2.40 |
| Total outstanding dues other than micro and small enterprise | 3,266.84 | - |
| Total | 3,312.77 | 2.40 |
| Break up of payable balances | | |
| Payable to related parties (refer note 34) | 3,178.84 | - |
| Payable to others | 133.93 | 2.40 |
| Total | 3,312.77 | 2.40 |

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

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|---------------------------------|---------------------------------|
| The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each | | |
| - Principal amount due to micro and small enterprises | 45.93 | 2.40 |
| - Interest due on above | 0.16 | - |
| The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006 | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development Act, 2006. | - | - |

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent of ₹ 0.16 lakhs (March 31, 2022: ₹ Nil lakhs). The same has been accrued in the books of accounts of the Company subsequently company has discharged its liability.

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the suppliers/information available with the Company regarding their status under MSMED Act, 2006

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023*(All amounts are Rs. Lakhs unless otherwise stated)***8. TRADE PAYABLES (CONTD..)**

The trade payables ageing schedule for the year ended as on March 31, 2023 is as follow:

| Particulars | Unbilled | Outstanding for the current period | | | | | Total |
|---------------------------|--------------|------------------------------------|------------------|-----------|-----------|-------------------|-----------------|
| | | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| 1) MSME - Undisputed | 0.16 | 38.89 | 6.88 | - | - | - | 45.93 |
| 2) Others - Undisputed | 29.33 | 2,773.26 | 464.25 | - | - | - | 3,266.84 |
| 3) Disputed dues - MSME | - | - | - | - | - | - | - |
| 4) Disputed dues - Others | - | - | - | - | - | - | - |
| Total | 29.49 | 2,812.15 | 471.13 | - | - | - | 3,312.77 |

The trade payables ageing schedule for the year ended as on March 31, 2022 is as follow:

| Particulars | Unbilled | Outstanding for the current period | | | | | Total |
|---------------------------|-------------|------------------------------------|------------------|-----------|-----------|-------------------|-------------|
| | | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| 1) MSME - Undisputed | - | - | - | - | - | - | - |
| 2) Others - Undisputed | 2.40 | - | - | - | - | - | 2.40 |
| 3) Disputed dues - MSME | - | - | - | - | - | - | - |
| 4) Disputed dues - Others | - | - | - | - | - | - | - |
| Total | 2.40 | - | - | - | - | - | 2.40 |

9. OTHER CURRENT LIABILITIES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Employee benefits payable | 1.37 | - |
| Statutory dues (including provident fund and tax deducted at source) | 15.96 | 16.30 |
| Payable for property, plant and equipment | 169.09 | 89.52 |
| Total | 186.42 | 105.82 |

10. SHORT-TERM PROVISIONS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Provision for income tax (net of income tax asset of ₹ Nil lakhs (March 31, 2022: ₹ 0.04 lakhs) | - | 0.11 |
| Total | - | 0.11 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

11. PROPERTY PLANT AND EQUIPMENT (REFER NOTE (I), (II) AND (III) BELOW)

| | Leasehold land | Factory Building | Building office | Plant and equipment | Furniture and fixtures | Office equipment | Computers | Total |
|---|-------------------|---------------------|--------------------|------------------------|------------------------------|---------------------|-------------|-----------------|
| As at April 01, 2022 | | | | | | | | |
| Gross amount | | | | | | | | |
| Opening | - | - | - | - | - | - | - | - |
| Additions during the year | 1,127.43 | 3,039.48 | 124.40 | 1,900.37 | 14.68 | 7.54 | 8.80 | 6,222.70 |
| Disposals during the year | - | - | - | - | - | - | - | - |
| Closing gross block | 1,127.43 | 3,039.48 | 124.40 | 1,900.37 | 14.68 | 7.54 | 8.80 | 6,222.70 |
| Accumulated depreciation | | | | | | | | |
| Opening | - | - | - | - | - | - | - | - |
| Depreciation charged during the year | 23.35 | 15.03 | 0.31 | 18.63 | 0.22 | 0.22 | 0.45 | 58.21 |
| Disposals during the year | - | - | - | - | - | - | - | - |
| Closing accumulated depreciation | 23.35 | 15.03 | 0.31 | 18.63 | 0.22 | 0.22 | 0.45 | 58.21 |
| Net carrying amount as at March 31, 2023 | 1,104.08 | 3,024.45 | 124.09 | 1,881.74 | 14.46 | 7.32 | 8.35 | 6,164.49 |
| As at April 01, 2022 | | | | | | | | |
| Gross carrying amount | | | | | | | | |
| Opening | - | - | - | - | - | - | - | - |
| Additions during the year | - | - | - | - | - | - | - | - |
| Disposals during the year | - | - | - | - | - | - | - | - |
| Closing gross block | - | - | - | - | - | - | - | - |
| Accumulated depreciation | | | | | | | | |
| Opening | - | - | - | - | - | - | - | - |
| Depreciation charged during the year | - | - | - | - | - | - | - | - |
| Disposals during the year | - | - | - | - | - | - | - | - |
| Closing accumulated depreciation | - | - | - | - | - | - | - | - |
| Net carrying amount as at 31 March 2023 | - | - | - | - | - | - | - | - |

Notes

Note i: The Company does not have any immovable properties for which title deed are not held in the name of the company. The leasehold agreement executed in the favour of the Company.

Note ii: There are no proceedings initiated against the Company for holding any Benami Property under Benami Transaction (Prohibition) Act 1988 (45 of 1988) and rules made thereunder.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023*(All amounts are Rs. Lakhs unless otherwise stated)***11. PROPERTY PLANT AND EQUIPMENT (REFER NOTE (I), (II) AND (III) BELOW) (CONTD..)****Note iii: Break up of expense capitalized on property plant and equipment**

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|-----------------------------|--|--|
| Interest Expenses | 274.11 | - |
| Legal and professional fees | 107.33 | - |
| Employee benefit expense | 112.18 | - |
| Import expense | 17.31 | - |
| Electricity Expense | 15.75 | - |
| Other expense | 18.02 | - |
| Total | 544.70 | - |

12. CAPITAL WORK IN PROGRESS (REFER NOTE I BELOW)

| Movement in capital work-in-progress | As at March 31, 2023 | As at March 31, 2022 |
|---|---------------------------------|---------------------------------|
| Opening balance | 2,488.94 | - |
| Additions during the year | 3,752.42 | 2,488.94 |
| Capitalized during the year | 6,222.70 | - |
| Closing balance * | 18.66 | 2,488.94 |

*Capital work in progress mainly comprises of amounts pertaining to plant & machinery.

Ageing of capital work-in-progress (CWIP) for the year ended March 31, 2023:

| 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 | 18.66 | - | - | - | 18.66 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 18.66 | - | - | - | 18.66 |

Ageing of capital work-in-progress (CWIP) for the year ended March 31, 2022:

| 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 | 2,488.94 | - | - | - | 2,488.94 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 2,488.94 | - | - | - | 2,488.94 |

Note (i): There are no projects in relation to CWIP whose completion is overdue or has exceeded its cost compared to original plan. The Company evaluates the completion of projects based on its original plan, which are monitored on an ongoing basis.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

13. DEFERRED TAX (NET)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Deferred tax liabilities | | |
| On provision for employee benefits | 0.15 | - |
| On excess of depreciation on property, plant and equipment provided in books of account over depreciation as per income tax | 6.24 | - |
| Net deferred tax liability (net) | 6.09 | - |

*On prudent basis deferred tax asset has not been recognised by the Company in the books of accounts.

14. LONG TERM LOANS AND ADVANCES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Advance for capital goods | 23.23 | 203.47 |
| Total | 23.23 | 203.47 |

There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties as at March 31, 2023 and March 31, 2022.

15. OTHER NON-CURRENT ASSETS

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Security deposits | 11.19 | - |
| Long term deposits with banks with maturity period more than 12 months* | 100.78 | - |
| Total | 111.97 | - |

*Deposits amounting to ₹ 47 lakhs (March 31, 2022: ₹ Nil lakhs) against bank guarantees submitted with Custom Department for concessional customs duty.

16. INVENTORIES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Raw materials (includes in transit: ₹ 484.85 lakhs, March 31, 2022: ₹ Nil lakhs) | 1,087.43 | - |
| Finished goods (includes in transit: ₹ Nil lakhs, March 31, 2022: ₹ Nil lakhs) | 932.16 | - |
| Work-in progress | 29.84 | - |
| Packing material | 0.39 | - |
| Total | 2,049.82 | - |

Inventories are valued at cost or net realizable value, whichever is lower.

For year ended March 31, 2023, write down of inventories to net realizable value amounted to ₹ Nil lakhs (March 31, 2022: ₹ Nil lakhs).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

16. INVENTORIES (CONTD..)

Category wise break up of raw material

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Raw Material (including packing material) | | |
| Air conditioners | 225.47 | - |
| Televisions | 862.35 | - |
| Total (a) | 1,087.82 | - |
| Work in progress | | |
| Air conditioners | 29.84 | - |
| Total (b) | 29.84 | - |
| Finished goods | | |
| Air conditioners | 655.23 | - |
| Televisions | 276.93 | - |
| Total (c) | 932.16 | - |
| Total (a) + (b) + (c) | 2,049.82 | - |

17. TRADE RECEIVABLES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Unsecured, considered good | 563.39 | - |
| Unsecured considered doubtful | - | - |
| (Less): Provision for doubtful debts | - | - |
| Total | 563.39 | - |
| Break up of receivable balances | | |
| Receivable from related parties (refer note 34) | - | - |
| Others | 563.39 | - |
| Total | 563.39 | - |

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

The trade receivables ageing schedule for the year ended as on March 31, 2023 is as follow:

| Particulars | Outstanding for the current period | | | | | | Total |
|-------------------------------------|------------------------------------|-----------------------|---------------------|-----------|-----------|----------------------|---------------|
| | Not Due | Less than 6 months | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables | | | | | | | |
| Considered Good | 560.32 | 3.07 | - | - | - | - | 563.39 |
| Considered Doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables | | | | | | | |
| Considered Good | - | - | - | - | - | - | - |
| Considered Doubtful | - | - | - | - | - | - | - |
| Total | 560.32 | 3.07 | - | - | - | - | 563.39 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

17. TRADE RECEIVABLES (CONTD..)

The trade receivables ageing schedule for the year ended as on March 31, 2022 is as follow:

| Particulars | Outstanding for the current period | | | | | | Total |
|-------------------------------------|------------------------------------|--------------------|-----------------|-----------|-----------|-------------------|-------|
| | Not Due | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables | | | | | | | |
| Considered Good | - | - | - | - | - | - | - |
| Considered Doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables | | | | | | | |
| Considered Good | - | - | - | - | - | - | - |
| Considered Doubtful | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - |

There are no unbilled dues as on March 31, 2023 and March 31, 2022.

The aging for trade receivable has been prepared on the basis of the due date of invoices.

18. CASH AND BANK BALANCES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------|----------------------|----------------------|
| Bank Balances | | |
| In current accounts | 33.85 | 17.17 |
| Total | 33.85 | 17.17 |

19. SHORT-TERMS LOANS AND ADVANCES

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------|----------------------|----------------------|
| Unsecured, considered good | | |
| Advances to suppliers | 44.51 | 2.97 |
| Advances to employees | 0.33 | - |
| Prepaid expenses | 17.02 | 6.73 |
| Balances with government authorities | 733.43 | 3.99 |
| Advance income tax (net) | 0.91 | - |
| Total | 796.20 | 13.69 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023*(All amounts are Rs. Lakhs unless otherwise stated)***20. REVENUE FROM OPERATIONS**

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-------------------------|--------------------------------------|--------------------------------------|
| Sale of products | | |
| Finished goods | 502.80 | - |
| Traded goods | 3.76 | - |
| Total | 506.56 | - |

Product wise break up of sale of products:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------|--------------------------------------|--------------------------------------|
| Air condition | 160.68 | - |
| Television | 342.12 | - |
| Washing machine | 3.76 | - |
| Total | 506.56 | - |

Geography wise break up of sale of products:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------|--------------------------------------|--------------------------------------|
| India | 506.56 | - |
| Outside India | - | - |
| Total | 506.56 | - |

21. OTHER INCOME

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------------------------|--------------------------------------|--------------------------------------|
| Interest income on bank deposit | 2.26 | 0.40 |
| Miscellaneous income | 4.23 | - |
| Total | 6.49 | 0.40 |

22. COST OF MATERIALS CONSUMED

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| Raw material consumed | | |
| Opening inventory | - | - |
| Add : Purchases (net) | 2,413.15 | - |
| Less : Inventory at the end of the year | (1,087.43) | - |
| Cost of raw materials consumed during the year | 1,325.72 | - |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

| Product | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Air-conditioner | | |
| Sub assembly Indoor unit and outdoor unit | 159.10 | - |
| Indoor unit | 509.88 | - |
| Compressor | 49.50 | - |
| Other components | 86.76 | - |
| Television | | |
| Main board | 166.22 | - |
| Open cell | 66.04 | - |
| PCB assembly | 44.31 | - |
| Other components | 243.91 | - |
| Total | 1,325.72 | - |

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN PROGRESS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| (Increase)/decrease in stocks | | |
| Finished goods | 932.16 | - |
| Work-in progress | 29.84 | - |
| Total A | 962.00 | - |
| Less: Stock at the beginning of the year: | | |
| Finished goods | - | - |
| Work-in progress | - | - |
| Total B | - | - |
| Increase/(decrease) in stocks (A-B) | 962.00 | - |

24. EMPLOYEE BENEFITS EXPENSE*

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Salaries, wages and bonus | 19.35 | 27.60 |
| Contribution to superannuation and other funds [Refer note 33] | 0.02 | - |
| Contribution to provident fund [Refer note 33] | 1.75 | - |
| Gratuity [refer note 33] | 1.92 | - |
| Staff welfare expenses | 8.64 | - |
| Total | 31.68 | 27.60 |

*Net of expenses capitalized of ₹ 112.18 lakhs (March 31, 2022: ₹ Nil lakhs)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023*(All amounts are Rs. Lakhs unless otherwise stated)***25. FINANCE COST***

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Interest expenses | 30.35 | 25.66 |
| Interest on statutory liabilities | - | 0.27 |
| Bank charges | 8.57 | 0.09 |
| Total | 38.92 | 26.02 |

*Net of expenses capitalized of ₹ 274.11 lakhs (March 31, 2022: ₹ Nil lakhs)

26. DEPRECIATION EXPENSE

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|----------------------|--------------------------------------|--------------------------------------|
| Depreciation expense | 58.21 | - |
| Total | 58.21 | - |

27. OTHER EXPENSES (REFER NOTE BELOW)*

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Electricity expenses | 9.59 | 0.12 |
| Insurance | 7.09 | 0.44 |
| Rates and taxes | 10.22 | 0.30 |
| Travelling expenses | 19.60 | 3.42 |
| Payments to auditors [refer note 28] | 7.40 | 0.75 |
| Legal and professional fees | 18.60 | 0.98 |
| Security charges | 3.21 | 2.71 |
| Office expenses | 5.38 | 3.12 |
| Contract Labour charges | 54.36 | - |
| Consumption stores & spares | 3.42 | - |
| Repairs & maintenance | 8.86 | - |
| Water charges | 1.76 | - |
| Freight outward | 14.13 | - |
| Miscellaneous expenses | 6.65 | 0.05 |
| Total | 170.28 | 11.89 |

*Net of expenses capitalized of ₹ 158.41 lakhs (March 31, 2022: ₹ Nil lakhs) Refer Note no 11

Note i: Provision of section 135 of the Companies Act, 2013, related to Corporate Social responsibility is not applicable to the Company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

28. PAYMENT TO AUDITORS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------------------|------------------------------|------------------------------|
| As Auditor : | | |
| Audit fees | 6.83 | 0.75 |
| Reimbursement of expenses | 0.50 | - |
| Total | 7.33 | 0.75 |

29. CONTINGENT LIABILITIES AND COMMITMENTS

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Claims against the Company not acknowledged as debts | | |
| (i) For machinery | - | 728.47 |
| (ii) For building (civil construction remaining to be approved by project engineer) | 87.89 | 1,587.51 |
| (iii) For bank guarantee | 47.00 | - |
| Total | 134.89 | 2,315.98 |

Company has submitted bank guarantee to custom departments for clearance of plant & machinery under project import and clearance of raw material under concessional custom duty.

CIF value of imports

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---------------|------------------------------|------------------------------|
| Capital goods | 1,041.57 | - |
| Total | 1,041.57 | - |

30. EXPENDITURE IN FOREIGN CURRENCY

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Reimbursement of expenses of foreign consultant | 2.00 | - |
| Total | 2.00 | - |

32. LOSS PER SHARE (EPS):

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Net Loss after tax attributable to equity shareholders | (159.46) | (65.22) |
| Weighted average number of equity shares outstanding for Basic & Diluted | 10,000 | 10,000 |
| Loss per share (₹) Basic | (1,594.60) | (652.20) |
| Face value of shares (₹) | 10.00 | 10.00 |

The Company has issued 1,50,000 (31 March 2022: 1,50,000 shares) Compulsorily Convertible Debentures ("CCDS") to holding company. These CCDS are convertible based on the fair valuation of the equity shares as on the date of such conversion restricted to minimum 1 share to each CCD holder. Since the impact of such potential equity shares is anti-dilutive in nature, Diluted EPS has not been disclosed by the Company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

33. EMPLOYEE BENEFITS

The Company has classified various benefits provided to employees as under:

(a) Defined Contribution Plans :

The Company makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

During the year, the Company has recognized the following amounts in the statement of profit and loss:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Contribution to superannuation and other funds | 0.02 | - |
| Contribution to provident fund | 1.75 | - |
| Total | 1.77 | - |

(b) Defined Benefit Plans :

Gratuity: The Company operates a post-employment defined benefit plan that provide gratuity benefit. Gratuity is applicable to all permanent and full time employees of the Company and paid out is based on last drawn basic salary at the time of termination or retirement. The scheme takes into account each completed year of service or part thereof in excess of six months. The normal age of retirement is 60 years (based on company's discretion for each employee) and the entire contribution is borne by the Company. The actuarial valuation is done based on "Projected Unit Credit Method"

Following figures are as per actuarial valuation, as at the Balance Sheet date, carried out by an independent actuary.

(i) Change in the present value of defined benefit obligation

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Balance at the beginning of the year | 0.73 | - |
| Current service cost | 0.75 | - |
| Interest cost | 0.05 | - |
| Actuarial gain | 1.21 | 0.73 |
| Balance at the end of the year | 2.74 | 0.73 |

(ii) Change in the fair value of plan assets

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Balance at the beginning of the year | | |
| Expected returns on plan assets | 0.07 | - |
| Actuarial gains / (losses) | 0.02 | - |
| Contribution by plan participants | 1.81 | - |
| Balance at the end of the year | 1.90 | - |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

33. EMPLOYEE BENEFITS (CONTD..)

(iii) Assets and Liabilities recognized in the Balance Sheet:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Present value of defined benefit obligation | 2.75 | 0.73 |
| Less: Fair value of plan assets | 1.90 | - |
| Net liability recognised in the Balance sheet | 0.85 | 0.73 |
| Current liability | - | - |
| Non-current liability | 0.85 | 0.73 |
| Total | 0.85 | 0.73 |

(iv) Expenses recognized in the Statement of Profit and Loss:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------------|------------------------------|------------------------------|
| Current service cost | 0.75 | - |
| Interest cost | 0.05 | - |
| Expected return on plan assets | (0.07) | - |
| Net Actuarial (gain)/ losses | 1.19 | 0.73 |
| Total Expenses | 1.92 | 0.73 |

(v) Actuarial Assumptions:

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--|---|------------------------------|
| Discount Rate | 7.50% | 6.90% |
| Expected Rate of Return on Plan Assets | 7.00% | 0.00% |
| Salary Growth | 7.00% | 0.00% |
| Attrition Rate | 0-30 Years -10% p.a. 31-40 Years -8% p.a. 41-50 Years-6% p.a. Age above 50 Years -2% p.a. | - |

(vi) Major category of plan assets as a % of total plan assets

| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------|------------------------------|------------------------------|
| Funds managed by insurer | 100% | 0.00% |
| Total | 100% | 0.00% |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023*(All amounts are Rs. Lakhs unless otherwise stated)***34 RELATED PARTY DISCLOSURE****(a) Name of the related parties and nature of relationship**

| Name of Related Party | Nature of Relationship |
|---|-------------------------------|
| Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) | Holding Company |

Transactions during the year

| Name of the related party | Nature of relationship | Nature of transactions | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) | Holding Company | Purchase | 1,439.25 | - |

Outstanding balances as at year end

| Name of the related party | Nature of relationship | Nature of transactions | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------------|-------------------------------------|-----------------------------|-----------------------------|
| Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) | Holding Company | Trade Payable | | |
| Amstrad Consumer India Private Limited (formerly known as OVOT Private Limited) | Holding Company | Compulsorily convertible debentures | 1,500.00 | 1,500.00 |

35. FINANCIAL RATIOS

| Ratio | Numerator | Denominator | March 31, 2023 | March 31, 2022* | Change % | Explanation |
|--|--|--|-----------------------|------------------------|-----------------|---|
| Current ratio (in times) | Total current assets | Total current liabilities | 0.97 | 0.28 | 246.43% | Movement is on account of commencement of operation w.e.f. 03rd February 2023 |
| Debt-Equity ratio (in times) | Total Debt | Shareholders' Equity | -26.58 | - | 100.00% | Movement is on account of term loan from banks and inter company loan. |
| Debt service coverage ratio (in times) | Profit before interest, depreciation and tax | Total Debt | -0.01 | - | 100.00% | Movement is on account of term loan from banks and inter company loan. |
| Return on equity ratio (in %) | Profit/Loss for the year | Average Shareholder's Equity ((Opening + Closing)/2) | 96.18% | 123.25% | -21.96% | Not applicable |
| Inventory turnover ratio (in times) | Cost of goods sold | Average inventory ((Opening + Closing)/2) | 0.35 | - | 100.00% | Movement is on account of commencement of operation w.e.f. 03rd February 2023 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

35. FINANCIAL RATIOS (CONTD..)

| Ratio | Numerator | Denominator | March 31, 2023 | March 31, 2022* | Change % | Explanation |
|---|-------------------------------------|--|----------------|-----------------|----------|---|
| Trade receivables turnover ratio (in times) | Revenue from operations | Average trade receivables ((Opening + Closing)/2) | 1.80 | - | 100.00% | Movement is on account of commencement of operation w.e.f. 03rd February 2023 |
| Trade payables turnover ratio (in times) | Net Credit Purchases | Average trade payables ((Opening + Closing)/2) | 0.80 | - | 100.00% | Movement is on account of commencement of operation w.e.f. 03rd February 2023 |
| Net capital turnover ratio (in times) | Revenue from operations | Average Working capital = Total current assets - total current liabilities | -4.76 | - | 100.00% | Movement is on account of commencement of operation w.e.f. 03rd February 2023 |
| Net profit ratio (in %) | Profit/Loss for the year | Revenue from operations | -31.08% | -16305% | -99.81% | Movement is on account of commencement of operation w.e.f. 03rd February 2023 |
| Return on capital employed (in %) | Profit before tax and finance costs | Capital Employed | 46.80% | 45.96% | 1.83% | Movement is on account of commencement of operation w.e.f. 03rd February 2023 |
| Return on investment (in %) | Profit before tax and finance costs | Average total assets ((Opening + Closing)/2) | -1.83% | -2.60% | -29.62% | Movement is on account of commencement of operation w.e.f. 03rd February 2023 |

*Since the Company has commenced its operations in the current year, the comparative numbers are not comparable to current year figures.

36 SEGMENT INFORMATION

The Company is primarily engaged in one business segment namely manufacturing and processing of consumer electronic items. As such there is no separate reportable segment as per "AS 17 - Segment reporting", hence segment wise performance of the company has not been provided.

37. VALUE OF IMPORTS AND INDIGENOUS RAW MATERIALS, PACKING MATERIALS CONSUMED AND PERCENTAGE OF EACH TO TOTAL CONSUMPTION

| Particulars | Year ended March 31, 2023 | % of consumption | Year ended March 31, 2022 | % of consumption |
|---------------------|---------------------------|------------------|---------------------------|------------------|
| Raw Material | | | | |
| Imported | - | 0% | - | 0% |
| Indigenous | 1,325.72 | 100% | - | 0% |
| | 1,325.72 | 100% | - | 0% |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts are Rs. Lakhs unless otherwise stated)

38 SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 28, 2023, the date which the financial statements were available to be issued. No significant subsequent events have been identified by management.

39 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. Pursuant to these amendments, the Company has given the significant additional disclosures, as applicable, in these Financial statement for all the years presented.

- i) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current year and previous year.
- iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- vi) The Company has not revalued its Property, Plant and Equipment in current year and previous year.
- vii) There are no loans or advances in the nature of loans that are granted to promoters, directors, key managerial personnel (KMPs) and the related parties either severally or jointly with any other person, that are: a) Repayable on demand or b) Without specifying any terms or period of repayment.
- viii) The Company got sanctioned working capital limits from banks and financial institutions on the basis of security of current assets, however no quarterly statements were submitted to the bank
- ix) The company does not have any transactions with any defunct / struck off companies.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

**For and on behalf of the Board of Directors of
Next Generation Manufacturers Private Limited
CIN: U31904PN2019PTC187587**

Vivian Pillai
Partner
Membership Number: 127791
UDIN:

Vivek Shukla
Director
DIN: 09217443

Sanjay Mane
Director
DIN: 07721315

Place: Pune
Date: September 28, 2023

AMSTRAD
CONSUMER INDIA PRIVATE LIMITED

LIFTING OFF TO THE FUTURE

AMSTRADYAN

