



# Diversifying business. Reinforcing growth.

## Our Vision

To be a preferred manufacturing and solutions provider of Lighting, Energy-efficient Products, and Hardware Components in the global marketplace.

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## Our Mission

IKIO Lighting Limited is a firm believer in the proverb “Quality Always Wins”. We aim to provide quality products and customer experience through innovation, design, focus on customers, and continuous improvements.

# Highlights of FY 2023-24

## Financial

Healthy Return Ratios with RoE at 20% and RoCE of 23% for FY 2023-24.

With the repayment of debt from the IPO Proceeds, the Company remains Net Debt Negative.

Overall performance remained largely flat. However, exports were down due to the global scenario. Other segments like ODM Lighting Solutions and Product Display outperformed Industry growth.

Recommended a Dividend of Re 1 per equity share (10% of Face Value)

## Operational

Completed Block I of ~2 Lakh sq ft (part of greenfield expansion project) and commercial production started.

Introduced two new product categories – Hearables (TWS earphones, etc.) and Wearables (smart watches, etc.)

Forayed into the Gulf market for export of our products under the Product Display segment.

In the US market, in addition to the RV business, we have started supplying our Industrial and Solar products to ESCO (Energy Services Companies).



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# Diversifying business. Reinforcing growth.

In an era marked by dynamic shifts in technology and consumer preferences, IKIO Lighting Limited has emerged as one of the leading organisations in innovation and resilience within the LED lighting industry. Our commitment to diversification propels us forward as we expand beyond traditional boundaries into new product categories such as Hearables and Wearables. This strategic expansion not only broadens our market reach but also strengthens our foundation for sustainable growth. Through relentless investment in R&D and robust manufacturing capabilities, we consistently redefine excellence in LED solutions, driving efficiencies and enhancing product offerings. As we navigate global uncertainties, our focus on quality and sustainability guides us toward new horizons. With each milestone, IKIO Lighting reaffirms its position as a pioneer in shaping the future of lighting, dedicated to illuminating brighter and more sustainable tomorrow.

## About us

# Designing brighter futures

IKIO Lighting Limited stands as one of India's leading Original Design Manufacturers (ODMs), specialising in the design, development and production of LED lighting solutions, lighting and energy solutions.

Our commitment to sustainability drives us to provide low-energy LED products, supporting India's sustainability goals. We collaborate closely with our clients, not only offering our expertly designed products but also manufacturing and supplying customer-designed solutions.

Our robust in-house R&D department further enhances our capabilities through continuous process and product innovation, ensuring we stay at the forefront of the LED lighting industry.



~25 Years  
of relevant experience



1,000+  
SKU's



5  
well-integrated facilities  
spread over 5 Lakh sq ft



31 Members  
R&D and product design  
team



## Engineered for excellence



### PRODUCT OFFERING

Niche, high-value, well-diversified product range with over 1,000 SKU's



### IN-HOUSE R&D AND BACKWARD INTEGRATION

In-house R&D capability for ODM product development with backward integration, helping with quality and on-time deliveries



### STRONG FINANCIAL POSITION

Financial discipline over the years has created a strong financial foundation to foster growth and support expansion



### EXPERIENCED TEAM

Over two decades of strong execution experience, supported by a professional team – catering to long-standing customer relationships

## About us

### Our subsidiaries

#### DIRECT SUBSIDIARIES

- ❖ Royalux Lighting Private Limited
- ❖ IKIO Solutions Private Limited

#### STEP DOWN SUBSIDIARIES

- ❖ Royalux Exports Private Limited
- ❖ Royalux LLC



#### Royalux Lighting Private Limited (RLPL)

##### Corporate information

Originally incorporated as 'Royalux Lighting LLP' under the Limited Liability Partnership Act, 2008, RLPL received its Certificate of Incorporation on September 9, 2014, from the RoC. Subsequently, Royalux Lighting LLP transitioned into a Private Limited Company under the Companies Act, 2013, and received a Certificate of Incorporation on March 23, 2022, with its name changed to Royalux Lighting Private Limited. The company's CIN is U31906DL2022PTC395429. Its registered office is located at 411, Arunachal Building, 19 Barakhamba Road, Connaught Place, Central Delhi - 110001, Delhi, India.

##### Nature of business

RLPL specialises in the manufacturing of product display lighting, commercial refrigerator LED lights, IPS controller along with their parts and accessories. Additionally, the company is involved in the production of other electrical and electronic components.

During FY 2023-24, 'Fine Technologies (India) Private Limited' (wholly owned subsidiary) has been amalgamated with 'Royalux Lighting Private Limited' (Step down subsidiary), vide Order No. RDNR/TC-1/233/AA6493578/2023/10716 dated March 18, 2024, the Regional Director of Northern Region.



#### IKIO Solutions Private Limited (ISPL)

##### Corporate information

IKIO Solutions Private Limited was established as a Private Limited Company on September 20, 2018, under the Companies Act, 2013. The certificate of incorporation was issued by the RoC on October 5, 2018. The company's CIN is U36995UP2018PTC108238. The registered office is situated at D 234, Sector - 63 Noida, Gautam Buddha Nagar – 201307, Uttar Pradesh, India.

##### Nature of Business

ISPL is engaged in a wide range of activities, both domestically and internationally. It provides consultancy and is involved in the manufacturing, fabricating, designing, and building of various electronic goods such as Lighting Products, Security System and Other EMS Services.





## Royalux Exports Private Limited (REPL)

### Corporate information

Royalux Exports Private Limited was established as a Private Limited Company under the Companies Act, 2013. The Certificate of Incorporation was issued by the RoC on December 7, 2021. Its Corporate Identification Number (CIN) is U31909DL2021PTC390952. The registered office is located at 411, Arunachal Building, 19 Barakhamba Road, Connaught Place, Central Delhi - 110001, Delhi, India.

### Nature of business:

REPL was formed to take over the operations of Royalux Exports, a proprietorship owned by Mr. Hardeep Singh. The company It focuses on the manufacturing, production, sales, servicing, export of LED lights, solar panels and charge controllers, lithium batteries and other related products. Currently, REPL specialises in the manufacturing and export of LED lights for recreational vehicles (RV) and product display segment, ABS pipes and solar power solutions for RVs.

## Royalux LLC

### Corporate information:

Royalux LLC was incorporated as a Domestic Limited Liability Company on October 12, 2023 in USA at 'INDIANAPOLIS' IN 46240 under Indiana Business Flexibility Act in USA. The certificate of incorporation was issued by Diego Morales Indiana Secretary of State. The company's Business I.D is 202310121732250. The registered office of Royalux LLC is situated at 8888 Keystone Crossing, STE 1300, Indianapolis, IN, 46240, USA. Royalux LLC is a wholly owned subsidiary of IKIO Solutions Private Limited and Step-down subsidiary of IKIO Lighting Limited.

### Nature of business:

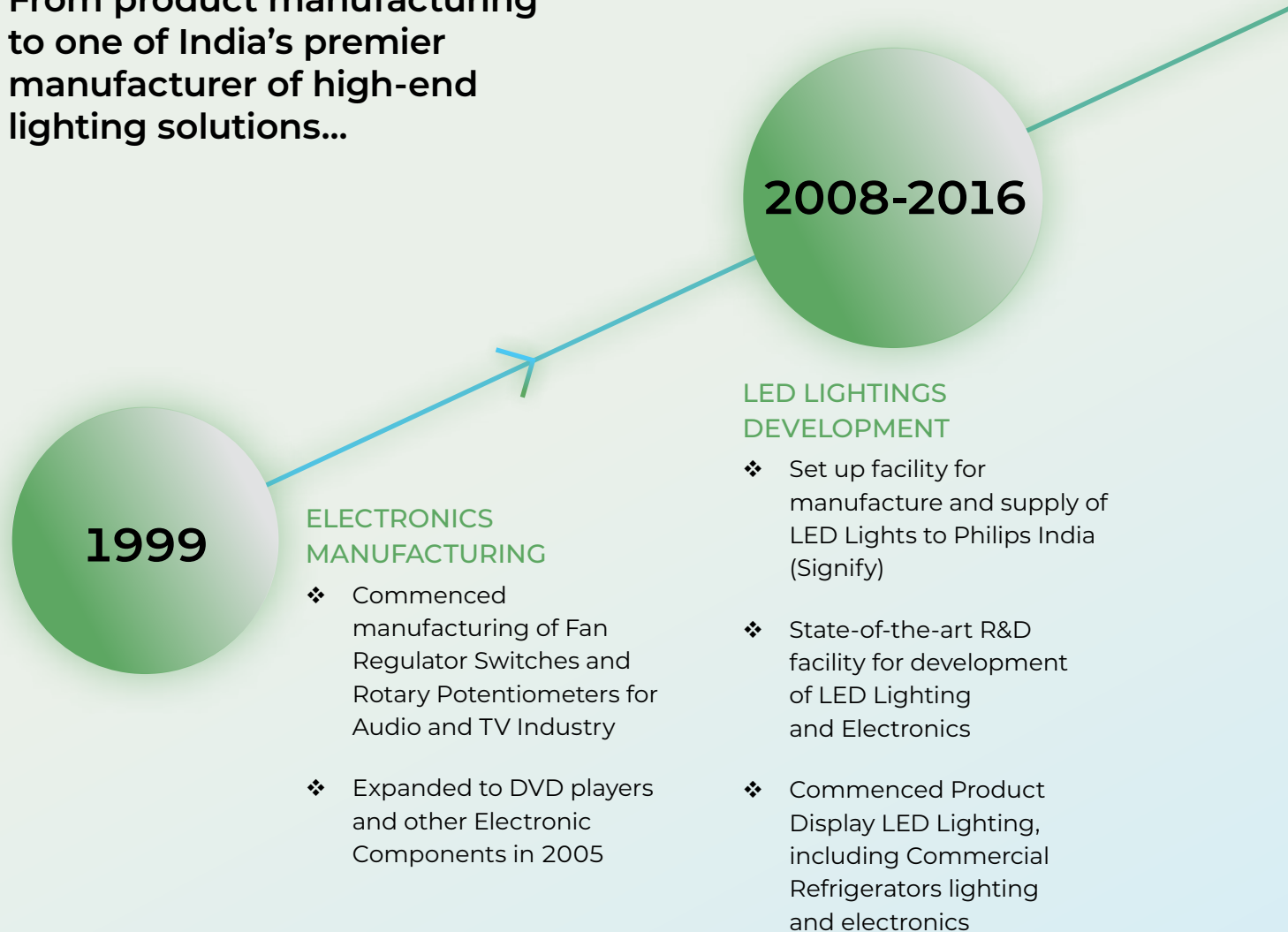
Royalux LLC deals in current and new technologies in existing range of business. The objective of the Company to expand and grow the business of the company and to increase the market share and client base. The business of Royalux LLC is in line with the main line of business of the Company in the field of electronic, solar and energy-saving solutions.

About us

## Our journey

IKIO was initially established as 'IKIO Lighting Private Limited' under the Companies Act, 2013, with the Certificate of Incorporation granted by the RoC on March 21, 2016. Following a resolution by the Board on January 3, 2022, and a subsequent resolution by the shareholders on January 31, 2022, our Company transitioned to a public entity and was renamed as 'IKIO Lighting Limited.' The RoC issued a new certificate reflecting this change of name on April 18, 2022.

From product manufacturing to one of India's premier manufacturer of high-end lighting solutions...





## 2017-2020

### BACKWARD INTEGRATION

- ❖ Fully backward integration for manufacturing of LED light fixtures such as Powder Coating
- ❖ Injection Moulding, CNC Turning, Press Shop with integrated Tool Room facilities
- ❖ 'Game Changer' Award by Philips for import substitution for LED Lighting Products

## 2021-2024

### DIVERSIFICATION

- ❖ First supply order of LED lights for Recreational Vehicles (RV) in the USA
- ❖ Ventured into ABS Pipes and Solar Panels for RVs
- ❖ Started wiring devices for Honeywell India
- ❖ Started production of IPS Controllers for Commercial Refrigerators
- ❖ Listed on BSE and NSE, w.e.f. June 16, 2023
- ❖ Commenced Block I of ~2 Lakh sq ft (part of greenfield expansion project)
- ❖ Introduced two new product categories – Hearables and Wearables
- ❖ In the US market, started supplying Industrial and Solar products to Energy Services Companies



## Product portfolio

# Leading the way with high-value, innovative LED offerings

IKIO offers a well-diversified portfolio with over 1,000 SKU's, focusing on high-value, niche and innovative products. Positioned at the premium end of the LED lighting market, we consistently deliver top-tier solutions.

## OUR PRODUCT OFFERINGS



### LED Lighting Solutions

- ❖ High-end home decorative LED lights
- ❖ Indoor and Outdoor lights
- ❖ LED lights for RVs



### Product Display Lighting

- ❖ Interior LED lights for product display, including Commercial Refrigeration (CR)



### Energy Solutions & Others

- ❖ IPS Stabilisers for CR
- ❖ Rotary Switches
- ❖ Fan Regulators & Assembly
- ❖ Lithium Batteries
- ❖ USB Chargers
- ❖ Solar Panels for RVs
- ❖ ABS Pipes for RVs



Our premium LED lighting range includes a comprehensive selection of lights, fittings, fixtures, accessories, and components tailored for high-end applications. Within our refrigeration lighting segment, we supply advanced lighting solutions, including lights, drivers, and controls, to commercial refrigeration equipment manufacturers.

Our premium Non-lighting range includes Solar Panels, ABS Pipes, IPS Controllers, Rotary Switches, Fan Regulators & Assembly, Lithium Battery, USB Chargers.

## TYPES OF LIGHTING AND NON-LIGHTING PRODUCTS OF IKIO



### High-end Home Decorative Lighting

#### Functional Lighting

- ❖ Recessed Spotlights
- ❖ Track Lights
- ❖ Linear Lights
- ❖ Strip Lights
- ❖ Outdoor Lights
- ❖ Pendant Lighting
- ❖ Wall Scones
- ❖ Table and Floor Lamps

### Specialised Lighting

#### Product Display Lighting

- ❖ Commercial Refrigeration
- ❖ Other Products

#### LED Lights for RVs

#### Battery Operated Products

- ❖ Rechargeable Lights
- ❖ Inverter Bulbs

### Non-Lighting Products

- ❖ Solar Panels
- ❖ ABS Pipes
- ❖ IPS Controllers
- ❖ Rotary Switches
- ❖ Fan Regulators & Assembly
- ❖ Lithium Battery
- ❖ USB Chargers

Beyond these core areas, we also manufacture and assemble a variety of other products, such as client-designed fan regulators, light strips, mouldings, and other components and spares. Our state-of-the-art equipment and systems serve a wide array of industries, providing reliable solutions for residential, industrial, and commercial lighting needs.

## Story of the year

# Growth. Diversification. Expansion.

IKIO Lighting has consistently demonstrated impressive growth and expansion, relentlessly pushing the boundaries of innovation and market reach.

We have expanded our product portfolio by introducing two new categories: Hearables, including TWS earphones and Wearables, such as smart watches. In our Product Display segment, we have made notable progress by penetrating the Gulf market for exports. Despite a downturn in the industry, our Product Display segment achieved impressive double-digit sales growth in FY 2023-24. In the Energy Solutions and other segments, we are observing a steady increase in inventory clearances for our RV products in the USA, indicating a positive trend and robust demand. In the US, in addition to our established RV business, we have begun supplying industrial and solar products to Energy Services Companies (ESCOs).

As part of our greenfield expansion project, we have successfully completed Block I, spanning ~2 Lakh sq ft and have commenced commercial production.

### Highlights

**Product:** Introducing two new categories: Hearables, including TWS earphones and Wearables, such as smart watches. In the US, in addition to our established RV business, we have begun supplying industrial and solar products to Energy Services Companies (ESCOs).

**Market:** In our Product Display segment, we have made notable progress by penetrating the Gulf market for exports.

**Expansion:** Successfully completed Block I, spanning ~2 lakh square feet and have commenced commercial production.

**Sustainability:** 200 KVA Solar rooftop panel installed at the new capacity for captive use.

Capacity (Noida)	Size	Current status	Proposed activity
Block I	~2 Lakh sq ft	<b>Completed – commercial production started</b>	❖ This facility is aimed at enhancing our export business and for new product development in the domestic market.
Block II	~2 Lakh sq ft	Civil Construction Ongoing – Completion expected by March 2025	
Block III	~1 Lakh sq ft	Construction Started	❖ Manufacturing of LED Home Lighting, Solar Panel & Systems and other New Product Lines.
Total	~5 Lakh sq ft		

These strategic moves highlight our commitment to innovation and market expansion, setting the stage for sustained growth and success.



# 200 kVA

Solar rooftop panel installed at the  
new capacity for captive use



## Key performance indicators

# Poised for success

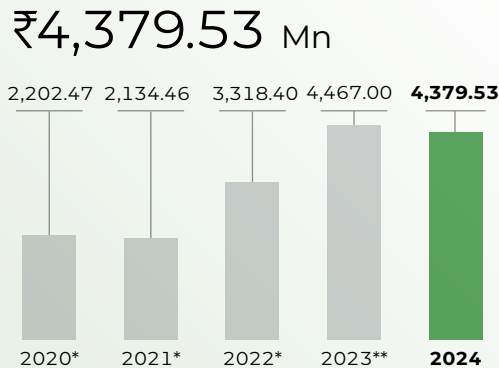
We have maintained a robust financial position, characterised by consistent and disciplined growth.

Despite a stable overall performance, our segments in ODM Lighting Solutions and Product Display have significantly outpaced industry growth. Post-IPO, with debt repayment completed, our Company is now net debt negative.

Although, the EBITDA margin was affected by upfront expenses, including increased employee costs due to team expansion for our new facility and product categories, these investments are anticipated to drive revenue from FY 2024-25 onwards.

### Total Income

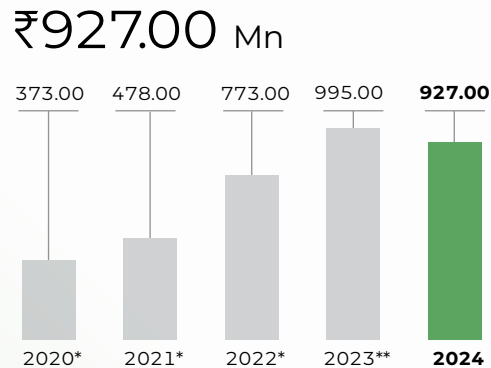
(in ₹ Mn)



**(1.96%)** YoY growth  
**14.74%** Five-year CAGR

### EBDITA

(in ₹ Mn)



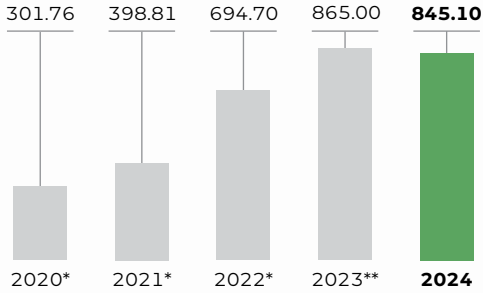
**(6.38%)** YoY growth  
**19.97%** Five-year CAGR

\*Proforma Consolidated Basis

\*\*Proforma Consolidated Financials, not subject to limited review or audit

**PBT**

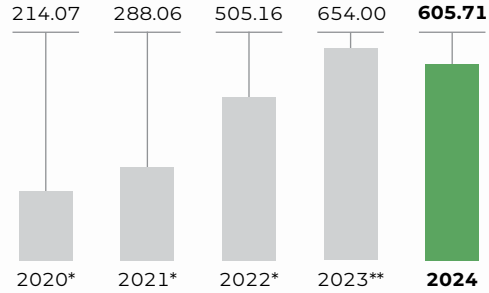
(in ₹ Mn)

**₹845.10 Mn**

**(2.30%)** **22.87%**  
YoY growth Five-year CAGR

**PAT**

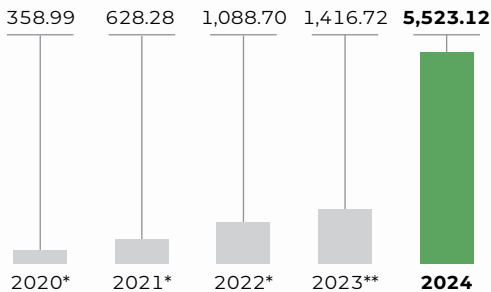
(in ₹ Mn)

**₹605.71 Mn**

**(7.38%)** **23.12%**  
YoY growth Five-year CAGR

**Net Worth**

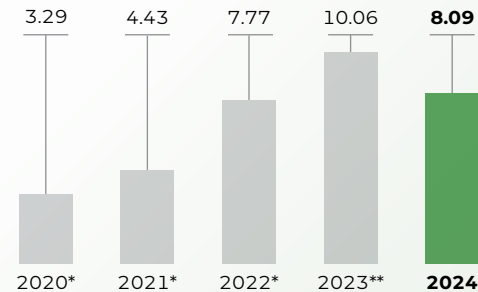
(in ₹ Lakh)

**₹5,523.12 Lakh**

**289.85%** **72.75 %**  
YoY growth Five-year CAGR

**Earnings per Share**

(₹)

**₹8.09**

**(19.58%)** **19.72%**  
YoY growth Five-year CAGR

\*Proforma Consolidated Basis

\*\*Proforma Consolidated Financials, not subject to limited review or audit

**Looking ahead to FY25, we project consolidated revenue growth of 20-25% year-over-year, with EBITDA margins expected to be within the 20-22% range.**



## Chairman and MD's message

# Empowering progress. Driving growth.



IKIO Lighting Limited embarked on a new and exciting chapter in this financial year by becoming a publicly listed company and brought in growth capital to propel the Company in its strategic initiatives.

### THE MACRO OVERVIEW

The Indian economy is experiencing robust growth, driven by reforms, strong private consumption, digitalisation, and government push on building infrastructure. With a GDP growth of 8.2% in FY 2023-24, the country is well-positioned to become a \$5 Trillion economy by FY 2027-28 and become the third-largest economy in the world.

Coming to the LED Lighting market in India, the overall market continues to provide strong growth opportunities to players. Home improvement, which falls squarely in the discretionary spend basket, has seen strong momentum, especially around the festive season. High-end premium lighting, especially, is seeing a strong growth trajectory and as a key partner to India's leading LED lighting solutions company, IKIO is well-placed to capitalise on the opportunity.

### ELECTRIFYING INDIA'S ELECTRONIC MARKET GROWTH

The Government of India's vision of Make in India, Make for the World, supported by various schemes and incentives, has contributed to the development of India as an alternative manufacturer to China. As a result of the 'China+1' strategy, which promotes supply chain diversification, global and domestic players have developed a robust electronic ecosystem, and the government has provided substantial incentives and schemes to support the industry. Moreover, import substitution, supply chain realignment and advancements in component manufacturing are reducing lead times and increasing efficiency.



The Indian electronics consumption market is flourishing across several key segments. The LED lighting industry has seen significant growth due to government initiatives, energy efficiency regulations and reduced prices, making India increasingly cost-competitive compared to China. OEMs are seeking new ways to innovate products and transitioning from plain vanilla contract manufacturing to Original Design Manufacturing.

## MANUFACTURING AND INNOVATION

Our manufacturing operations serve as a cornerstone of our business strategy. Strategically located, we operate five facilities: one situated in the SIDCUL Haridwar Industrial Park in Uttarakhand and four in Noida within the National Capital Region.

As you know, one of the objectives for doing the IPO, was the investment in a new facility in Noida, we have completed Block I of ~2 Lakh sq ft, out of the total greenfield project of ~5 Lakh sq ft. We will manufacture LED Home Lighting, Solar Panel & Systems and other New Product Lines. This facility is aimed at enhancing our export business and for new product development in the domestic market and is expected to enhance the pace of growth for the Company.

In alignment with our commitment to offering comprehensive product solutions and enhancing supply chain efficiency to boost margins, we have vertically integrated our major manufacturing processes. This includes establishing in-house capabilities to produce all mechanical components internally, ensuring greater control and quality throughout our operations.

Our dedicated R&D department is at the forefront of product innovation, specialising in product design, tool and mould design, electronic circuit design and prototype development. Operating independently, our R&D team creates original ODM designs and validates OEM designs provided by customers. We transform these designs into market-ready products through iterative improvement, selection of optimal raw materials and rigorous testing of trial products to ensure superior quality and performance.

## ~2 Lakh sq ft

Completed development out of the total greenfield project of ~5 Lakh sq ft

## DIVERSIFICATION AND GROWTH

We have diversified our product portfolio with the addition of two new categories: hearables, featuring TWS earphones and wearables, including smartwatches. In our Product Display segment, we have made substantial strides by entering the Gulf market for exports. In the US, alongside our established RV business, we have initiated supply to Energy Services Companies (ESCOs) with industrial and solar products.

## WAY FORWARD

Your company's performance in the year under review was largely flat due to muted industry demand, mainly exports. ODM Lighting Solutions' revenues remained largely flat. The Product Display business continued to grow by double digits. Although Energy Solution & Others faced inventory pile-ups, inventory clearances for RV products in the USA gradually increased. However, the future looks promising and we are confident in the robust platform we have built to deliver substantial value to our stakeholders over the medium to long term.

I extend sincere thanks to our dedicated employees for their commitment, relentless enthusiasm and pursuit of excellence. With ongoing support from our shareholders, clients, business partners and the Government of India, I am confident that IKIO Lighting will forge ahead, achieving even greater success in the future.

Warmly,

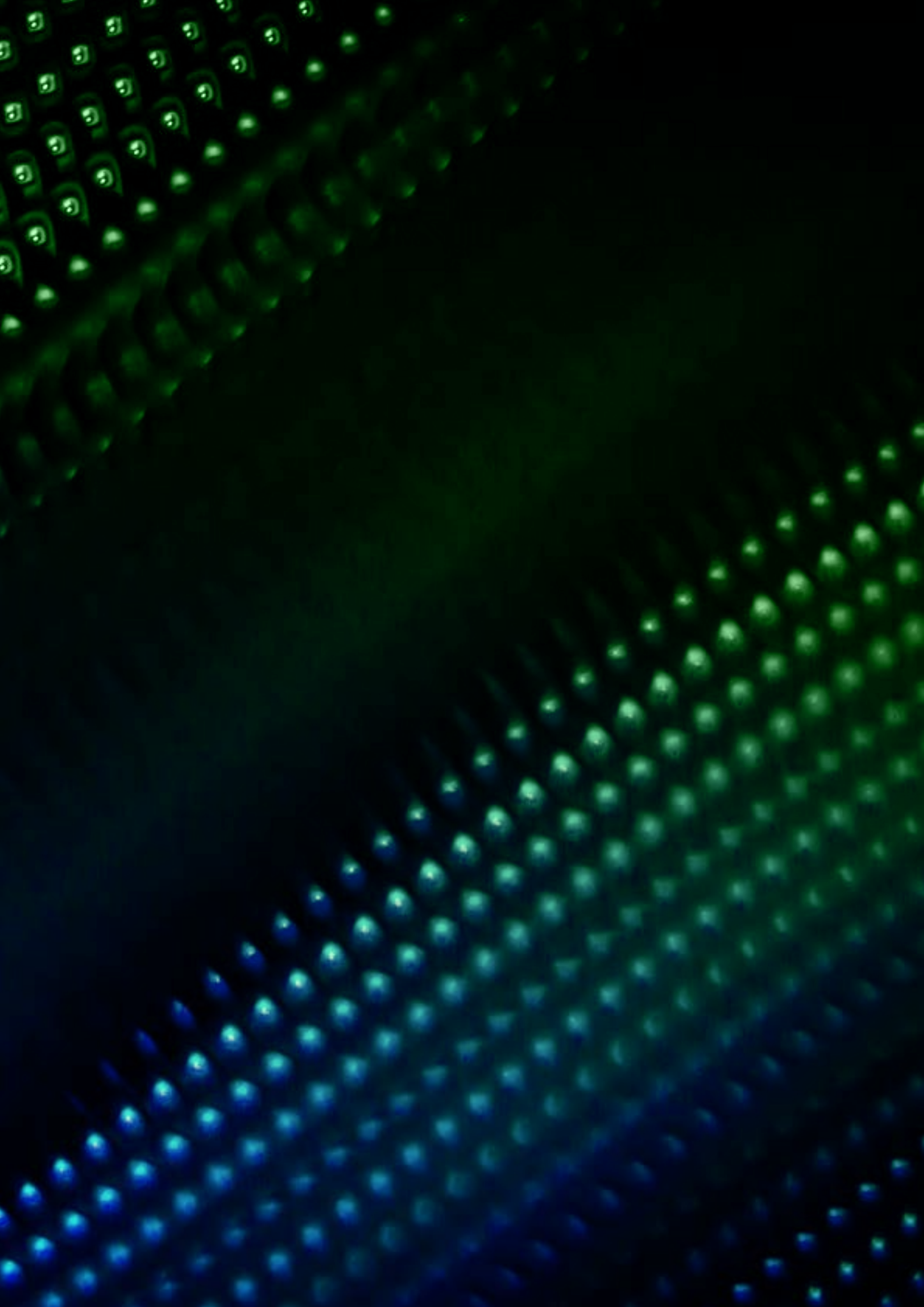
**Hardeep Singh**

Chairman & Managing Director



# Strategic overview







## Our strategies

# Harnessing growth. Expanding horizons.

The global electronics industry is experiencing rapid growth, playing a pivotal role in the sustained success of electronic manufacturers worldwide.

According to the Fertility and Sterility Report, the industry is projected to expand at a compound annual growth rate (CAGR) of 4.9% from CY 2021, aiming to achieve a market size of \$3,168 Billion by CY 2026. Concurrently, the Indian Electronics Manufacturing Services (EMS) market is poised for

significant growth with an estimated CAGR of 32% from FY23E (₹1,846 Billion) to FY26E (₹4,502 Billion). These promising trends underscore the importance of strategic business initiatives aligned with the anticipated industry expansion.





## EXPANDING TO NEW PRODUCT LINES

Over the years, our Promoter, Hardeep Singh and our Company have forged strong customer relationships. We consistently develop successful new products for our target markets with insights from market research, direct customer engagement and dedicated R&D efforts. The Net Proceeds funded the expansion of our current manufacturing facilities and the construction of a new facility via our subsidiary, ISPL. This increased capacity will boost production of our current products and facilitate entry into new markets with expanded offerings.

## EXPANDING OUR MANUFACTURING CAPACITIES FOR OUR EXISTING AND NEW PRODUCT LINES

LED lighting solutions offer an immediate way for companies and individuals to reduce their environmental impact. According to Frost & Sullivan, the Indian LED lighting market is forecasted to grow at a CAGR of 12.2%, increasing from ₹2,17,020 Million in Fiscal 2022 to an estimated ₹3,38,000 Million from Fiscal 2023 to Fiscal 2026. To seize this market opportunity, we are expanding our production capacity for LED home lighting and other new products.

## DIVERSIFY OUR CUSTOMER BASE AND EXPAND ACROSS GEOGRAPHIES

We aim to expand our ODM business into new international markets, starting with a focus on North America and extending gradually into Europe and South East Asia. These regions present opportunities to promote our premium LED products. Our strategy involves deploying dedicated sales and marketing teams dedicated to driving business development in these key markets.

## CONTINUE TO INVEST IN R&D AND EXPAND OUR ODM BUSINESS

We are committed to further investing in R&D to innovate new products for our ODM customers and improve production efficiencies. Expanding our R&D facilities and growing our team are priorities. We aim to innovate continuously to meet evolving demands for enhanced comfort, quality, performance and aesthetics in their products, by collaborating closely with our customers on new products.

## FOCUS ON SUSTAINABILITY THROUGH ESG INVESTMENTS

We remain dedicated to sustainability by prioritising quality, environmental responsibility, health and safety. Ensuring high product standards is essential to our brand and growth. Our five manufacturing facilities implement comprehensive quality systems, overseeing every business process from production to delivery, ensuring consistent quality and safety.

We rigorously assess our environmental impact and adhere to stringent standards that comply with regulations. We monitor our effluent and sewage treatment plants, manage hazardous waste and provide extensive employee training on environmental management. Our commitment to environmental stewardship includes robust management systems, due diligence, and disaster preparedness across our facilities.



Business enablers

# Optimising innovation for cutting-edge solutions

Our R&D department is dedicated to innovative product design and development, encompassing tools, moulds, electronic circuits and prototypes.

We independently create ODM designs and refine OEM designs provided by customers, transforming them into market-ready products through design improvements, material recommendations and rigorous testing.

Our team also focuses on automating processes to enhance manufacturing efficiency, reduce costs and provide comprehensive design and engineering support to our clients. We offer a range of services including concept sketching, design refinement, feature generation and product testing which allow us to meet diverse consumer needs. This approach enables us to introduce innovative products, upgrade existing ones with the latest technologies and optimise costs through value analysis and engineering. As of March 31, 2024, our R&D team consists of 31 members.

## OUR R&D DEPARTMENT HAS MODERN EQUIPMENT AND TOOLS AVAILABLE INCLUDING:

- ❖ Cathode Rays Oscilloscopes
- ❖ SURGE Generators
- ❖ HV Testers
- ❖ Gonio Photometer and Integrating Spheres
- ❖ Humidity Chamber
- ❖ Salt Spray Chambers
- ❖ Thermal Chambers
- ❖ IP Tester
- ❖ Drop Testers
- ❖ Vibration Testers



## MANUFACTURING

As on March 31, 2024, we operate five state-of-the-art manufacturing facilities, spanning approximately 5,00,000 sq ft. These facilities are outfitted with advanced machinery and equipment, including assembly lines, automated surface-mount machines, automatic metal cutting and shaping machines, and automatic powder coating systems for fixtures.



- SIDCUL, Haridwar
- 42,517 sq ft
- ❖ LED lights
  - ❖ Regulator & Switches



- Noida
- 80,000 sq ft
- ❖ Regulator
  - ❖ Switches
  - ❖ Backward integration processes like tool room, Injection Moulding, Powder Coating, CNC Machining, etc.



- Noida
- 1,12,077 sq ft
- ❖ Refrigeration LED Lightings and Controls
  - ❖ LED Module
  - ❖ Drivers
  - ❖ IPS Controller



- Noida
- 57,171 sq ft
- ❖ LED Lights (RV)
  - ❖ Solar Panels
  - ❖ ABS Pipes for RV



- Noida
- 2,00,000 sq ft (Block - I)
- ❖ Manufacturing of LED Home Lighting
  - ❖ Solar Panel and System
  - ❖ Security System and Other EMS Services
  - ❖ Other new product lines

- Location
- Area
- Products manufactured



## Business enablers

### BACKWARD INTEGRATION

To deliver comprehensive product solutions and enhance supply chain control and profitability, we have vertically integrated our key manufacturing processes. By developing in-house capabilities, we now produce all mechanical components internally, with the exception of diodes and resistors.

#### Our backward integration includes:

- ❖ Automatic surface mounted machines for placing diodes and other components on circuit boards
- ❖ Automatic metal cutting and shaping machines
- ❖ Automatic powder coating on fixtures
- ❖ Injection moulding including machines, moulds and tools
- ❖ LED light assembly lines, manual insertion, checking and final packing



### WE ARE A PROUD SUPPORTER OF 'MAKE IN INDIA' CAMPAIGN

# 1

#### Design & Development

- ❖ In-house R&D helps with products and processes
- ❖ Concept sketching, design refinement & process refinement
- ❖ Offering over 1,000 SKU's, developed in-house

---

**Developed:** In-house

# 2

#### Tool & Mould Designing

- ❖ Large array of tools and moulds created
- ❖ Prototype designing to finalise the product touch and feel
- ❖ Almost all mechanical components are manufactured inhouse

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**Developed:** In-house

# 3

#### Fabrication

- ❖ Plastic injection moulding; plastic extrusion machine and diffuser cutting
- ❖ Unique set-up with strong competency in plastic and metal fabrications

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**Developed:** In-house



# 4

## Assembly

- ❖ Final products assembled through manual and automated processes
- ❖ State-of-the-art machinery like SMT, auto-insertion, auto-glueing and lens sorting

**Developed:** In-house

# 5

## Testing & Validation

- ❖ Huge portfolio of testing and validation machinery
- ❖ High quality control at all stages ensures optimum quality of final product
- ❖ Very low sales return due to high quality of product and testing

**Developed:** In-house

# 6

## Final Product

- ❖ Quality control
- ❖ Consistent supply
- ❖ Healthy margins

**Developed:** In-house

## SUPPLY CHAIN

Our primary raw materials include diodes, resistors, printed circuit boards, semiconductors, plastics, polymers, aluminium, metals, cable connectors and consumables. Our business relies heavily on effective supply chain management with strong relationships both domestically and internationally.

We typically source raw materials from third-party suppliers through short-term contracts or the open market, selecting them based on quality, price, cost-effectiveness, reliability, service and delivery capability. Prices are negotiated per purchase order and we generally have multiple suppliers for each material with terms and return policies outlined in purchase orders.

Supply arrangements are influenced by regulatory requirements, import duties and other clearances. Our raw material prices are linked to global market rates and price volatility can impact costs significantly. We do not engage in foreign currency hedging activities.



## Meet the Board

# Leading with example



**Mr. Hardeep Singh**

*Chairman & Managing Director*

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Hardeep Singh is the Chairman and Managing Director of our Company. He is the founder and one of the Promoters of our Company. He has been associated with our Company since its inception. He has more than two decades of experience in the manufacturing of Electronic components and LED lighting. He has been honoured by Philips with "Game Changer" Award for LED Lighting Production. He oversees the overall functions of our Company and is responsible for overseeing the Strategic Growth Initiatives and Expansion Plans.



**Mrs. Surmeet Kaur**

*Whole-time Director*

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Surmeet Kaur is a Whole-time Director on our Board and one of the Promoters of our Company. She holds a bachelor's degree in arts (Honours) from University of Delhi. She has been associated with the Company since inception and is responsible for management of Human Resources.



**Mr. Sanjeet Singh**

*Whole-time Director*

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Sanjeet Singh is a Whole-time Director on our Board. He holds a bachelor's degree in commerce from University of Delhi. He has been associated with our Company since February 1, 2019. He oversees the overall operations of the Company.



**Mr. Chandra Shekhar Verma**

*Independent Director*

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Chandra Shekhar Verma is an Independent Director of our Company. He holds a master's degree in commerce in University of Rajasthan. He also holds a bachelor's degree in law and Masters in Business Administration from University of Rajasthan. He is a qualified Cost and Management Accountant and Company Secretary. He has been associated with our Company since April 14, 2022 and has years of experience in the Public Sector. He has previously served as Chairman and Managing Director of Steel Authority of India Limited.



## Mr. Kishore Kumar Sansi

*Independent Director*

Kishore Kumar Sansi is an Independent Director of our company. He holds a bachelor's degree in science (Honours) from the University of Delhi and holds a master's degree in science and a master's degree in philosophy from the University of Delhi. He has been associated with our company since April 14, 2022. Previously in our company, he was the Executive Director of Punjab & Sind Bank and the Managing Director and Chief Executive Officer of Vijaya Bank, and has years of experience in public sector banks.



## Mr. Rohit Singhal

*Independent Director*

Rohit Singhal is an Independent Director of our Company. He holds a degree in Bachelor of Commerce from Delhi University. He is a qualified Chartered Accountant. He has been associated with our Company since April 20, 2022, and has over 14 years of experience as practicing Chartered accountant.



## Dr. Rachana Chowdhary

*Non-executive Independent Woman Director*

Dr. Rachana Chowdhary has been appointed as an Additional Director in the capacity of Non-executive Independent Woman Director on the Board of our Company as on May 24, 2024.

Dr. Rachana Chowdhary has over two decades of working experience. She is a distinguished global communications leader renowned for her expertise in empowering small and medium-sized businesses through strategic digital publishing and outreach. As a recipient of the prestigious USCIS Einstein Visa (EB1A) in October 2023, she has been recognised among the world's top 5 women entrepreneurs. Dr. Chowdhary has also received the Atlas Lifetime Achievement Award from the Public Relations Society of America (PRSA) for her significant contributions to international public relations. She holds Doctorate (Ph.D) in Global Marketing & Communications, Diploma in Public Relations and Diploma in Sales and Marketing Management. She is a founder of MVW Network International Private Limited.



## Leadership team

# Senior Managerial Personnel Key Managerial Personnel



### **Mrs. Ishween Kaur**

*Chief Marketing Officer*

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Ishween Kaur is the Chief Marketing Officer of Royalux Lighting Private Limited. She holds a Bachelor's Degree in Business Administration from Guru Gobind Singh Indraprastha University. She has been associated with our Company since March 6, 2018. She has over 6 years of experience in Business Administration. She is currently responsible for the Marketing activities in Royalux Lighting Private Limited.



### **Mr. Subhash Chand Agarwal**

*Chief Financial Officer*

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Subhash Chand Agarwal was the Chief Financial Officer of our Company. He has resigned from our Company w.e.f July 1, 2024 to pursue professional goals outside the organisation.



### **Mr. Atul Kumar Jain**

*Sr. Vice President (F&A)*

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Mr. Atul Kumar Jain has joined the Company on 8th July 2024 as Sr. Vice President (F&A). He is Currently responsible for Finance & Accounts (F&A) in the Company. He has overall 27 years of working experience in F&A which includes Financial Strategy Planning, Mergers & Demergers, Budgeting & Forecasting, Tax Planning & Fund raising etc. Previously, he was associated with JPFL Films Private Limited, a subsidiary company of Jindal Poly Films Limited which is listed on NSE & BSE (part of B.C. Jindal Group company) as Vice President, Maral Overseas Limited (part of LNJ Bhilwara Group Company), Listed at BSE & NSE, as Chief Financial Officer and Spark Minda Group as General Manager etc.



### **Mr. Sandeep Kumar Agarwal**

*Company Secretary and Compliance Officer*

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Sandeep Kumar Agarwal is the Company Secretary and Compliance Officer of our Company. He holds a Bachelor's Degree in Science from Chowdhary Charan Singh University. He holds a Master's Degree in Commerce from Chowdhary Charan Singh University. Also, he holds a Master's Degree in Business Administration from UPRTOU Allahabad. He is a qualified Company Secretary. He has been associated with our Company since February 19, 2022. He has over 17 years of experience. Previously, he was working with Geo Enpro Petroleum Limited, Orissa Stevedores Limited and HLS Asia Limited. He is currently responsible for Secretarial and Legal Compliance work in our Company.



## Corporate Information

### CHIEF FINANCIAL OFFICER

Mr. Subhash Chand Agrawal\*  
(\*Resigned w.e.f July 01, 2024)

### SR. VICE PRESIDENT (F&A)

Mr. Atul Kumar Jain\*  
(\*Appointed w.e.f July 08, 2024)

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Sandeep Kumar Agarwal

### STATUTORY AUDITOR

M/s BGJC & Associates LLP, Chartered Accountants  
Address: Raj Tower, G-1, Alaknanda Community  
Center, New Delhi - 110019, India  
Phone No. +91-11-26025140,  
Email: [info@bgjc.in](mailto:info@bgjc.in)

### STOCK EXCHANGES

#### BSE Limited

20th Floor, Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

#### National Stock Exchange of India Limited

5th Floor, Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400051

### REGISTRAR AND SHARE TRANSFER AGENT

Kfin Technologies Limited  
Selenium Building, Tower-B, Plot No 31 & 32,  
Financial District, Nanakramguda, Serilingampally,  
Hyderabad, Rangareddi, Telangana, India - 500 032  
Phone: +040-67162222  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

### REGISTERED OFFICE

411, Arunachal Building, 19 Barakhamba Road,  
Connaught Place, New Delhi - 110001  
CIN: L31401DL2016PLC292884  
Tel. No. +919818559920,  
Email: [secretarial@ikiolighting.com](mailto:secretarial@ikiolighting.com)  
Website: [www.ikio.in](http://www.ikio.in)

### CORPORATE OFFICE

D 234, Sector - 63, Noida, UP - 201301  
E-mail: [secretarial@ikiolighting.com](mailto:secretarial@ikiolighting.com)  
Tel No. - 0120-5084101

### SUBSIDIARIES/STEP DOWN SUBSIDIARIES

1. Royalux Lighting Private Limited
2. IKIO Solutions Private Limited
3. Royalux Exports Private Limited
4. Royalux LLC

### MAIN BANKER

HDFC Bank Ltd.



## IKIO Lighting Limited

**CIN: L31401DL2016PLC292884**

**Registered Office:** 411, Arunachal Building 19 Barakhamba Road,  
Connaught Place Central Delhi DL 110001

**Corporate Office:** D-234, Sector -63, Noida – 201301 (U.P)

**Works:** Plot no. 102, Sector 07, II E, Sidcul Haridwar, 249403

**Telephone No.:** 0120 5084101

**Email:** secretarial@ikiolighting.com; **Website:** <https://ikio.in/>

### NOTICE OF THE 08<sup>TH</sup> ANNUAL GENERAL MEETING (“AGM”) OF IKIO LIGHTING LIMITED

## Notice

Notice is hereby given that the 08<sup>th</sup> Annual General Meeting ('AGM') of the members of IKIO Lighting Limited (the Company) will be held on Tuesday the 20<sup>th</sup> Day of August 2024 at 11:00 A.M through Video Conferencing(VC) / Other Audio Visual Means (OAVM), to transact the following business:

#### ORDINARY BUSINESS

##### 1. Adoption of Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2024:

- (a) To receive, consider and adopt the audited standalone financial statements of the Company for the Financial Year ended March 31, 2024 together with Reports of Directors and Auditors thereon, and
- (b) To receive, consider and adopt the audited consolidated financial statements of the Company for the Financial Year ended March 31, 2024 together with Reports of Auditors thereon and, if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 134 of the Companies Act, 2013 the Standalone & Consolidated Financial Statements containing the Balance Sheet as at March 31, 2024 and the Profit and Loss Accounts ended on that date, Cash Flow Statements along with the notes and schedules appended thereto and the reports of Auditors and Board of Directors thereon, be and are hereby adopted.”

##### 2. To Declare Final Dividend of Re. 1/- Per Equity Share For The Financial Year 2023-24.

To approve and declare the payment of Final Dividend of Re. 1 (Rupee One) per equity share of face value of ₹ 10/- each for the year ended March

31, 2024, and in this regard, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** a final Dividend of Re. 1/- per equity share of face value of ₹ 10/- each aggregating to ₹ 7,72,80,701 as recommended by the Board of Directors of the Company for the financial year ended March 31, 2024, be and is hereby declared and the same be paid to the eligible members of the Company as per the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.”

3. To appoint a director in place of Mrs. Surmeet Kaur (DIN 00118695), who retires by rotation and being eligible, offers herself for re-appointment and, if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mrs. Surmeet Kaur (DIN 00118695), who retires by rotation, and being eligible, offers herself for re-appointment, be and is hereby appointed as Director of the Company.”

#### SPECIAL BUSINESS

##### 4. Appointment of Ms. Rachana Chowdhary (DIN: 06407501) as an Independent Woman Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, 160 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force),



in accordance with the Articles of Association and Nomination and Remuneration Policy of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Ms. Rachana Chowdhary (DIN: 06407501) who was appointed by the Board of Directors as an Additional Director in the capacity of an Independent Director of the Company with effect from May 24, 2024 in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria of independence prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and being eligible for appointment under the provisions of the Act and the Rules framed thereunder and the Listing Regulations, be and is hereby appointed as an Independent Woman Director of the Company, who is not liable to retire by rotation, to hold office for a term of 3 (three) consecutive years from May 24, 2024 to May 23, 2027;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and / or expedient in connection therewith or incidental thereto, to give effect to this resolution."

##### 5. To ratify the "ILL EMPLOYEES STOCK OPTION SCHEME, 2022 ("ESOS 2022")"

To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

**"RESOLVED THAT** in furtherance of and supplement to the Special Resolution passed in the 7<sup>th</sup> Annual General Meeting of the Company held on September 14<sup>th</sup>, 2023, pursuant to the Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 ("the Act"), read with applicable rules, circulars, notifications issued thereunder including any statutory modification(s) or re-enactment(s) thereof for the time being in force), if any, provisions contained in the Memorandum of Association ("MOA") and the Articles of Association ("AOA") of the company, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 as amended from time to time and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and

sanctions, which may be agreed to by the Board of Directors of the company (hereinafter referred to as the "Board" which term shall be deemed to include any Board Committee, including the Nomination & Remuneration Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution read with Regulation 5 of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 based on the recommendation of the Nomination & Remuneration Committee, "ILL Employees Stock Option Scheme 2022" ("ESOS 2022"), as approved by the shareholders of the Company in the Annual General Meeting held on September 16<sup>th</sup>, 2022, prior to Initial Public Offering (IPO) of shares of the Company, **be and is hereby ratified within the meaning of Regulation 12** of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and the consent of the Company be and is hereby accorded to create, grant, offer, issue, vest and allot from time to time, in **one or more tranches** to the eligible employees of the company, as defined under the ESOS 2022 and to such other persons as may from time to time be allowed to be eligible for the benefits of the employee stock option Scheme under applicable laws and regulations prevailing from time to time, under ESOS 2022, as may be decided by the Board, such number of options which shall not exceed 22,50,000 exercisable into equity shares not exceeding 22,50,000 equity share of the company (or such adjusted numbers from any bonus, stock splits, or consolidation or other re-organisation of the capital structure of the Company, as may be applicable, from time to time), subject to such terms and conditions as may be fixed or determined by the Board in accordance with the provisions of applicable laws including the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, the Act and provisions of the ESOS 2022.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to make any modifications or revisions to ESOS 2022 as it may deem fit, from time to time, provided that the same is in conformity with the Act, as amended, the Companies (Share Capital and Debenture) Rules, 2014, as amended, the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, as amended, the Memorandum and Articles of Association of the company and any other applicable laws, rules and regulations thereunder.

**RESOLVED FURTHER THAT** the Board is hereby authorized to issue and allot equity shares



upon exercise of options from time to time in accordance with the ESOS 2022 and such equity shares shall rank pari passu with all other Shares of same class issued by the company after the date of allotment.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are required to be issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling in terms of number of equity shares specified above shall be deemed to be increased to the extent of such additional equity shares are required to be issued.

**RESOLVED FURTHER THAT** Mr. Hardeep Singh, Managing Director, Mrs. Surmeet Kaur Whole-time Director and Mr. Sanjeet Singh Whole-time Director of the company be and are hereby severally authorized to finalise, sign and execute any document, deed, agreement, letter or any such writing on behalf of the company and do all such acts deeds and things as may be necessary and/or expedient in the interest of the company in order to give effect to the above resolution."

**6. To grant approval for Employee Stock Options to the Employees of Group Company(ies) including Subsidiary Company(ies) or Associate Company(ies) under "ILL EMPLOYEES STOCK OPTION SCHEME, 2022 ("ESOS 2022")"**

To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution: -

**"RESOLVED THAT** pursuant to the provisions of Section 62 and all other applicable provisions of the Companies Act, 2013 ("Act"), if any, read with rules made thereunder and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"), read with all circulars and notifications, if any, issued thereunder to the extent applicable, applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and any other applicable laws (including any statutory modification(s) or reenactment(s) thereof for the time being in force), the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications

as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Members of the Company be and is hereby accorded for ratification of the "ILL Employees Stock Option Scheme 2022" ("ESOS 2022"), originally approved prior to the Initial Public Offer by Members of the Company at their Annual General Meeting held on September 16, 2022 and to grant their approval for Employee Stock Options to The Employees of Group Company(ies) including Subsidiary Company(ies) or Associate Company(ies) under "ILL EMPLOYEES STOCK OPTION SCHEME, 2022 ("ESOS 2022") and authorize to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution and under the SEBI SBEB & SE Regulations to offer, create and grant from time to time, in one or more tranches, such number of employee stock options under the Scheme within the limit prescribed therein to or for the benefit of such eligible employees as designated within the meaning of the Scheme, of the group company(ies) including subsidiary company(ies) or associate company(ies), whether in or outside India, exercisable into corresponding number of equity shares of face value of ₹10/- (Rupee Ten only) each fully paid-up, where one employee stock option would convert into one equity share upon exercise, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

**RESOLVED FURTHER THAT** Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution and for matters connected therewith or incidental thereto."

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the 08<sup>th</sup> AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual



means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 08<sup>th</sup> AGM has been uploaded

on the website of the Company at [www.ikio.in](http://www.ikio.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

7. 08<sup>th</sup> AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

#### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING 08<sup>TH</sup> ANNUAL GENERAL MEETING ARE AS UNDER:-

**The remote e-voting period begins on Saturday, August 17, 2024, at 09:00 A.M. and ends on Monday, August 19, 2024, at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 13, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 13, 2024.**

#### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

#### **Step 1: Access to NSDL e-Voting system**

#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>‘IDEAS’</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>“Register Online for IDEAS Portal”</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
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Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

## **B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

### **How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**



6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “[Forgot User Details/Password?](#)” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [mehakgupta.associates@gmail.com](mailto:mehakgupta.associates@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Mr. Abhishek Mishra at [evoting@nsdl.com](mailto:evoting@nsdl.com)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [secretarial@ikiolighting.com](mailto:secretarial@ikiolighting.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [secretarial@ikiolighting.com](mailto:secretarial@ikiolighting.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.](#)



3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE 08<sup>TH</sup> AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE 08<sup>TH</sup> AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access**

**to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [secretarial@ikiolighting.com](mailto:secretarial@ikiolighting.com). The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the 08<sup>th</sup> AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

### IKIO LIGHTING LIMITED

**(Sandeep Kumar Agarwal)**

Company Secretary &  
Compliance Officer

Place : Noida  
Dated : May 24, 2024

M. No : A66255

### Item No. - 3

#### Additional Information on Directors recommended for appointment/re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and Secretarial Standards-2 as prescribed by the Institute of Company Secretaries of India.

1	Name of the Director	Mrs. Surmeet Kaur
2	DIN	00118695
3	Age	63 Years
4	Qualification	BA (Honours)
5	Experience and Expertise in specific functional area	More than two decades of experience - Her Skills/ Expertise/Competencies in the field of Public Relations, Corporate Social Responsibility and Human Resources Management etc
6	Terms and conditions of appointment or re appointment	As per the Nomination, Remuneration & Board Diversity Policy of the Company as placed on the Company's website. Mrs. Surmeet Kaur is whole time director of the Company, liable to retire by rotation and being eligible, offer herself for re-appointment.
7	Details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Remuneration sought to be paid - ₹ 0.66 Million per month, remuneration last drawn - 79.20 Million
8	Date of first appointment on the Board	21-03-2016
9	Shareholding in the Company	29.76% (2,30,00,000 equity Shares)
10	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Hardeep Singh (Managing Director) - Spouse, Mr. Sanjeet Singh (Whole Time Director) - Son in Law.
11	Number of Meetings of the Board attended during the year	7/7 (all meetings)
12	Other Directorships	Raina Metaltech Private Limited, Royalux Export Private Limited
13	Membership/ Chairmanship of Committees of other Boards as on March 31, 2024	Membership in CSR Committee & Stakeholders' Relationship Committee
14	Resignation from listed entities in the past three years	Nil.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No. – 4

The Board of Directors of the Company ("Board"), based on the recommendation of the Nomination and Remuneration Committee ("NRC") has appointed Ms. Rachana Chowdhary (Din: 06407501) as an Additional Director in the capacity of Independent Woman Director of the Company with effect from May 24, 2024 in terms of Section 161 of the Act. The "Additional Director" so appointed shall hold office upto the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Accordingly, Ms. Rachana Chowdhary, as an Additional Director, holds office upto the date of this Annual General Meeting. Ms. Rachana Chowdhary is not debarred from appointment by any order of SEBI or any other authority.

Ms. Rachana Chowdhary has consented to be an Independent Director of the Company and has also submitted the necessary disclosures and declarations as required for such appointment. Ms. Rachana Chowdhary is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("Act"). The Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Ms. Rachana Chowdhary for the office of Director of the Company.

The desired attributes required of an Independent Director were identified based on the evaluation of the balance of skills, knowledge, and experience on the Board, by the Nomination and Remuneration Committee. Ms. Rachana Chowdhary meets the skills and capabilities required for the role as an Independent Woman Director, as identified by the Nomination and Remuneration Committee:

Relevant documents in respect of the said item are open for inspection. These documents will be available for electronic inspection by Members without any fee.

None of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the proposed Special Resolution as set out in Item No. 4 of the Notice

#### Brief profile of Ms. Rachana Chowdhary is as under:

Ms. Rachana Chowdhary is a distinguished global communications leader renowned for her expertise in empowering small and medium-sized businesses through strategic digital publishing and outreach. As a recipient of the prestigious USCIS Einstein Visa (EB1A) in October 2023, she has been recognized among the world's top 5 women entrepreneurs. Ms. Rachana Chowdhary has also received the Atlas Lifetime Achievement Award from the Public Relations Society of America (PRSA) for her significant contributions



to international public relations. She holds Doctorate (Ph.D) in Global Marketing & Communications, Diploma in Public Relations and Diploma in Sales and Marketing Management. She has more than two decades of working experience. She is a founder of MVW Network International Private Limited.

### Item No. – 5 & 6

The Company appreciates the critical role, its key employees play in the organizational growth. It strongly feels that the value created by its key employees should be shared with them. To promote the culture of employee ownership and as well as to attract, retain, motivate and incentivize senior and critical talents in line with corporate growth and creation of shareholders' value, the Company implemented an employee stock option Scheme namely "ILL Employees Stock Option Scheme 2022" ("ESOS 2022") for employees including directors of the Company and group company(ies) including subsidiary company(ies) and associate company(ies) (other than promoters and persons belonging to the promoter group, independent directors and directors either himself/herself or through his/her relative or through any body corporate holding directly or indirectly more than 10% (ten percent) of the outstanding equity shares of the Company), as eligible and defined under the scheme. In view of above, the Board of Directors and Members of the Company had approved the Scheme prior to the listing of the Equity Shares of the Company.

In terms of Regulation 12 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"), the Scheme formulated prior to the listing of Equity Shares of the Company is further required to be ratified by the Members post listing of the Equity Shares of the Company.

Accordingly, the Scheme is placed before the Members for ratification in terms of the aforesaid SEBI SBEB & SE Regulations after which your Company would be able to grant Options under the Scheme and issue Shares under the Scheme. The aforesaid proposals are not detrimental to the interests of any existing option grantees/employees.

The said proposal of ratification of the Scheme was already approved by the Board of Directors ("Board") of the Company in their meeting held on May 13, 2024.

Disclosures required pursuant to the regulation 6(2) of SEBI SBEB & SE Regulations is provided hereunder for the consideration of the Members:

#### a) Brief description of the Scheme:

The Scheme provides for grant of employee stock options ("Options") to the eligible employees including directors (collectively referred to as "employees") of the Company, its subsidiary company(ies) and its group companies/associates,

as may be permissible under the Companies Act and the SEBI SBEB & SE Regulations.

Upon vesting of Options, the eligible employees earn a right (but not obligation) to exercise the vested Options within the exercise period and obtain equity shares of the Company which shall be allotted by the company subject to receipt of exercise price and satisfaction of any tax obligation arising thereon.

The Nomination and Remuneration Committee ("Committee") of the Company shall superintend and administer the Scheme with terms of reference of such powers as delegated by the Board or as are available under the applicable laws. All questions of interpretation of the Scheme shall be determined by the Committee as per terms of the Scheme and applicable laws.

#### b) Total number of Options to be offered and granted:

Pursuant to Clause no 3 of ILL ESOS 2022 scheme, the Board and the shareholders of the Company in their meetings held on September 14, 2022 and September 16, 2022 have resolved to issue Options Exercisable into a maximum of 22,50,000 Shares. It is further clarified that the above number only sets out a maximum number of Shares to be issued in terms of this ESOS 2022 and does not impose an obligation on the Company to mandatorily issue Options.

The total of 22,50,000 (Twenty Two Lacs Fifty Thousand Only) Options would be available for being granted to the eligible employees of the Companies under the Scheme. Each Option when exercised would be converted into one equity share of face value of ₹10/- (Rupee Ten only) each fully paid-up.

Pursuant to Clause no 3.4 of ESOS 2022 scheme, Options not Vesting due to non-fulfillment of the stipulated conditions, Vested Options which the Option Grantees have expressly refused to Exercise within the Exercise Period and any Options issued but not Vested or Exercised within the stipulated time due to any reasons, shall lapse and these Options will be available for issue by the ESOS Administrator to any Employee(s) as it may deem fit in its absolute discretion, whether under the ESOS 2022 or under a new scheme, subject to compliance of the provisions of applicable law. The terms and conditions relating to re-issuance of such lapsed Options, as aforesaid, will be determined by the ESOS Administrator at a time as it may deem fit in its absolute discretion, subject to compliance with Applicable Law.



**c) Identification of classes of employees entitled to participate in the Scheme and be beneficiaries in the Scheme:**

**Employee**, means -

- (i) an employee as designated by the Company who is exclusively working in India or outside India; or
  - (ii) a director of the Company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
  - (iii) an employee as defined in (i) or (ii) of a group company including subsidiary or its associate company, in India or outside India, or of a holding company of the Company,
- but does not include -
- (a) an employee who is a promoter or belongs to the promoter group or
  - (b) a director who either himself or through his relative or through a body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

**d) Requirements of vesting and period of vesting:**

Subject to the Vesting Conditions and the other terms and conditions of the ESOS 2022, the Options issued to an Option Grantee would vest not less than 1 (one) year and not more than 4 years from the date of grant of the Options. The specific Vesting schedule and conditions subject to which Vesting would take place would be outlined in the Employee Stock Option Agreement executed with the Employee at the time of grant of the Options. (Pursuant to Clause no 6 of ESOS 2022 Scheme).

Further, Pursuant to Clause no 7 of ESOS 2022 Scheme, the Vesting of Options and issuance or acquisition of Shares pursuant to Exercise of Options shall be subject to the following terms and conditions in addition to the other provisions of the ESOS 2022;

- (i) **While in Employment:** Vested Options can be Exercised as per the prescribed Schedule mentioned in Letter of Grant or as approved by ESOS 2022.
- (ii) **Resignation:** All Vested Options, held as on the date of resignation can be Exercised within one month from the date of resignation. All the Unvested Options on the date of resignation / termination shall stand cancelled with effect from that date.

- (iii) **Termination other than for Cause:** Subject to Clause 6.1 all Vested Options, held as on the date of termination other than for Cause can be Exercised within one month from the date of termination of the services of the Option Grantee. All the Unvested Options on the date of such termination shall stand cancelled with effect from the termination date.

- (iv) **Termination for Cause:** All Vested Options which were not exercised at the time of such termination and all Unvested Options shall stand cancelled with effect from the date of such termination. The ESOS Administrator in its sole discretion shall decide whether an act or omission constitutes a Cause.

- (v) **Death:** All Vested Options outstanding on the date of death of an Option Grantee may be Exercised by the nominees or legal heir(s) of the deceased Option Grantee within three months from the death of such deceased Option Grantee; provided however that the legal heir(s) and nominees shall be required to provide indemnities in favour of the Company. Further, legal heirs shall produce all documents as may be required by the Company to prove the succession of the assets of the deceased Option Grantee. In case probate or proof of succession is not submitted within three month from the date of death of the deceased Option Grantee or such further time as the ESOS Administrator permits in its absolute discretion, the Vested Options shall lapse and shall be under the sole discretion of ESOS administrator. Further, the unvested options shall lapse on the death of the employee.

- (vi) **Permanent Incapacity:** All Vested Options and Unvested Options outstanding on Adopted by the Board: 14<sup>th</sup> September 2022 the date of Permanent Incapacity of an Option Grantee may be Exercised within three months from the date on which such Option Grantee has suffered a Permanent Incapacity. In the event of death of the Option Grantee before the expiry of Three months from the date of such Permanent Incapacity, the nominees or legal heir(s) of such Option Grantee will be allowed to Exercise all Vested Options of the Option Grantee before the expiry of Three months from the date of death and the provisions of Clause 7.4 (e) above shall be applicable, mutatis mutandis.

- (vii) **Abandonment:** All Vested Options and Unvested Options which are not exercised at the time of abandonment of employment shall stand cancelled. The ESOS Administrator may in its sole discretion decide whether an act or omission constitutes abandonment of employment.



(viii) **Separation from employment for any other reason apart from those mentioned above:**

The ESOS Administrator will decide whether the Vested Options or Unvested Options or both, as on the date of separation, can be Exercised by the Option Grantee or not, and such decision shall be binding and final.

The Vested Options and the Unvested Options of an Option Grantee who has been suspended from the services of the Company, or to whom a show cause notice has been issued, or against whom an enquiry is being or has been initiated, for any reason whatsoever, including but not limited to, misconduct, violation of the Company's policies, codes of the Company or terms of employment or for having committed or abetted any illegal or unlawful activity may, on the recommendation of the management, be suspended or kept in abeyance or cancelled at the sole discretion of the ESOS Administrator. Options that have been suspended or kept in abeyance may be Vested in the Option Grantee concerned on such additional terms and conditions, as may be imposed by the ESOS Administrator in its absolute discretion. Cancelled Options, if any, shall be treated as lapsed Options and shall be available for issuance to other Employees, as provided under Clause 3.4.

e) **The maximum period within which the Options shall be vested:**

Subject to the Vesting Conditions and the other terms and conditions of the ESOS 2022, the Options issued to an Option Grantee would vest not less than 1 (one) year and not more than 4 years from the date of grant of the Options. The specific Vesting schedule and conditions subject to which Vesting would take place would be outlined in the Employee Stock Option Agreement executed with the Employee at the time of grant of the Options.

f) **The exercise price or pricing formula:**

The exercise price per Option shall be determined by the ESOS Administrator which in any case shall not be less than the face value of the share of the Company as on date of grant.

g) **The exercise period and the process of exercise:**

The vested Options can be exercised by the employees within an exercise period as set out in this ESOS 2022 or as may be determined by the ESOS Administrator.

However, in case of death, All Vested Options outstanding on the date of death of an Option Grantee may be Exercised by the nominees or

legal heir(s) of the deceased Option Grantee within three months from the death of such deceased Option Grantee; provided however that the legal heir(s) and nominees shall be required to provide indemnities in favour of the Company. Further, legal heirs shall produce all documents as may be required by the Company to prove the succession of the assets of the deceased Option Grantee. In case probate or proof of succession is not submitted within three month from the date of death of the deceased Option Grantee or such further time as the ESOS Administrator permits in its absolute discretion, the Vested Options shall lapse and shall be under the sole discretion of ESOS administrator. The Option will lapse if not exercised within the specified exercise period. Further, the unvested options shall lapse on the death of the employee.

h) **The appraisal process for determining the eligibility of the employees for the Scheme:**

The ESOS Administrator may, within ESOS 2022, identify and classify the employees in various categories for determining the periods of vesting, exercising and granting of options. The identified employees of the Company may be classified into different categories, based on the Organisational Structure of the Company.

The ESOS Administrator shall indicate the manner of identification and basis of classification in a pre-determined format which shall cover all eligible and identified employees under ESOS 2022.

i) **Maximum number of Options to be issued per employee :**

Each Category of identified and eligible employees may have such granting, vesting and exercise schedules as deemed fit, by the ESOS Administrator. The ESOS Administrator will also be authorized to limit the number of options and specify the minimum and/or maximum number of options to be issued to every employee under each such category, as deemed fit.

j) **Maximum quantum of benefits to be provided per Employee under the Scheme:**

The maximum quantum of benefits that will be provided to any employee under the Scheme will be the difference between the market value of Company's equity shares on the Stock Exchanges as on the date of exercise of options and the exercise price paid by the employee.

k) **Whether the Scheme is to be implemented and administered directly by the Company or through a trust:**

The Scheme shall be implemented and administered directly by the Company, through

the Nomination and Remuneration Committee (which shall be designated as the Compensation Committee for the purposes of the Scheme) duly constituted by the Board from time to time.

**l) Whether the Scheme involves new issue of shares by the company or secondary acquisition by the trust or both:**

The Plan contemplates fresh issue of shares by the Company.

**m) The amount of loan to be provided for implementation of the Scheme by the Company to the trust, its tenure, utilization, repayment terms, etc.:**

This is currently not contemplated under the Scheme.

**n) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Plan:**

This is not relevant under the Plan as the Plan contemplates using fresh shares to be issued by the Company.

**o) Disclosure of Accounting Policies:**

The Company shall comply with the accounting policies and disclosure requirements as prescribed under Regulation 15 of the SEBI SBEB & SE Regulations.

**p) Method of option valuation:**

Subject to Clause 15 of ESOS 2022 Scheme, the method used for the valuation of options is the net asset value (**NAV**) methodology or DCF method or any other acceptable method of valuation, as per Applicable Law. Pursuant to the listing of shares of the Company, the manner of valuation shall be as per the provisions of SEBI (SBEB) Regulations, as applicable to the Company from time to time.

**q) Statement with regard to Disclosure in Director's Report:**

As the company is adopting the fair net asset value (**NAV**), presently there is no requirement for disclosure in the Director's report. However, if in future, the Company opts for expensing of share-based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the net asset value (**NAV**), shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share of the Company shall also be disclosed in the Directors' report.

**r) Period of Lock-in:**

Subject to Clause 7.4 of ESOS 2022 Scheme and any terms agreed upon with an Employee, no Option Grantee will be entitled to transfer the Shares, which may be issued, allotted or acquired on Exercise of the Options issued pursuant to the ESOS 2022 to any third party until completion of lock in period as mentioned in the Letter of Grant.

**s) Terms & conditions for buyback, if any, of specified securities/ Options covered granted under the Scheme:**

Subject to the provisions of the applicable laws, the ESOS administrator shall determine the procedure for buy-back of specified securities issued pursuant to exercise of Options granted under the Scheme if to be undertaken at any time by the Company and the applicable terms and conditions thereof.

The Plan implemented by the Company is in conformity with the provisions of SEBI SBEB & SE Regulations. A copy of the Plan and the certificate from the secretarial auditors of the company that the ESOS 2022 have been implemented in accordance with SEBI SBEB & SE Regulations is available in the electronic mode for inspection during office hours on all working days till the date of the conclusion of this AGM. Members seeking to inspect such documents can send the e-mail to [secretarial@ikiolighting.com](mailto:secretarial@ikiolighting.com).

Directors/Key Managerial Personnel/their relatives who are/ may be granted stock options under ESOS 2022 may be deemed to be concerned or interested in the resolution to the extent of stock options granted / to be granted pursuant to the Plan and to the extent of their shareholding in the Company, if any.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding, if any, in the Company.

The Board of Directors of the Company recommends the resolutions set out at Item No. 5 & 6 for approval of the Members as Special Resolution.

**IKIO LIGHTING LIMITED**

**(Sandeep Kumar Agarwal)**

Company Secretary &  
Compliance Officer

Place : Noida  
Dated : 24<sup>th</sup> May, 2024

M. No : A66255



## Directors' Report

### TO THE MEMBER(S), IKIO LIGHTING LIMITED

Your Directors take pleasure in presenting the 08<sup>th</sup> (Eight) Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2024.

### FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

(Amount in ₹ Millions)

Particulars	Standalone		Consolidated	
	Financial Year ended		Financial Year ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenue from operations	2,409.76	2,413.59	4,379.53	3,587.65
Other income	192.42	26.31	153.46	31.67
<b>Total Income</b>	<b>2,602.18</b>	<b>2,439.90</b>	<b>4,532.99</b>	<b>3,619.32</b>
Profit/Loss Before Depreciation, Finance Costs, Exceptional items and Tax Expenses	479.42	415.71	1,080.67	806.48
Less: Depreciation/Amortisation/Impairment	29.86	29.04	120.00	57.87
Profit/Loss Before Finance Costs, Exceptional items and Tax Expenses	449.56	386.67	960.67	748.61
Less: Financials	58.00	57.35	115.57	90.36
Profit/Loss Before Exceptional items and Tax Expenses	391.56	329.32	845.10	658.25
Add/(less): Exceptional items	-	-	-	-
Profit/Loss Before Tax	391.56	329.32	845.10	658.25
Less: Taxes (current & Deferred)	104.80	82.90	239.39	157.87
Profit/Loss for the year	286.76	246.42	605.71	500.38
<b>Total Comprehensive Income for the Year</b>	<b>287.20</b>	<b>247.21</b>	<b>607.19</b>	<b>501.88</b>

### FINANCIAL REVIEW AND ANALYSIS/STATE OF COMPANY'S AFFAIRS

Your Company has generated on a Standalone basis, the total revenue of ₹2,602.18 million for the Financial Year ended March 31, 2024 as against ₹2,439.90 million for the Financial Year ended March 31, 2023. Your Company has earned profit after tax of ₹286.76 million for the Financial Year ended March 31, 2024 as against net profit of ₹246.42 million for the Financial Year ended March 31, 2023.

On a Consolidated basis, the total revenue for the Financial Year ended March 31, 2024 was ₹4,532.99 million as against ₹3,619.32 million for the Financial Year ended March 31, 2023. Your Company has earned profit after tax of ₹605.71 million for the Financial Year ended March 31, 2024 as against net profit of ₹500.38 million for the Financial Year ended March 31, 2023.

These Financial Information are also available at the website of the Company at <https://ikio.in>.

During the year under review, your Company's performance remained largely flat due to muted demand in the industry, mainly exports. ODM Lighting Solutions' revenues remained largely flat. Product Display continued to clock double-digit sales growth. Energy Solution & Others faced an inventory pile up, however witnessing a gradual pick-up in inventory clearances for RV products in the USA.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

During the Financial Year 2023-2024, the Company got listed on BSE Limited and National Stock Exchange Limited on 16<sup>th</sup> June 2023.

During the Financial Year 2023-24, the "Fine Technologies (India) Private Limited" (wholly owned subsidiary) has been amalgamated with "Royalux



Lighting Private Limited” (Step down subsidiary) vide Order No. RDNR/TC-1/233/AA6493578/2023/10716 dated March 18, 2024, the Regional Director of Northern Region. Now Royalux Lighting Private Limited has become the wholly owned subsidiary of the Company.

Also, Due to effect of Amalgamation “Royalux Exports Private Limited” has now become the wholly owned subsidiary of “Royalux Lighting Private Limited”.

Also, IKIO Solutions Private Limited (Wholly-Owned Subsidiary of IKIO Lighting Limited) has incorporated a New wholly owned subsidiary in the name of **“ROYALUX LLC”** in USA at “INDIANAPOLIS IN 46240”.

After closure of FY 2023-24, IKIO Solutions Private Limited has acquired 100% shareholding in “Ritech Holding Limited”, having registered office at DD-14-124-027, Al Katem Tower Wework Hub 71, Abu Dhabi, Al Maryah Island UAE. Ritech Holding Limited, has downline subsidiary **“Royalux FZCO”** at Jebel Ali Free Zone.

## FUTURE PROSPECT AND OUTLOOK OF THE COMPANY

The Government of India's vision of Make in India, Make for the World, supported by various schemes and incentives, has contributed to the development of India as an alternative manufacturer to China. The Indian EMS industry has a lot of opportunities due to import substitution and India's growing penetration in the domestic market. OEMs are seeking new ways to innovate products, and transitioning from plain vanilla contract manufacturing to Original Design Manufacturing. The domestic production has nearly doubled between FY17 and FY22 and is expected to grow at a CAGR of 24% between FY22 and FY27. Over the next five years, the EMS market in India is expected to reach USD 80 billion (Source EY).

Given this huge opportunity, we believe we are in the right place at the right time. Your company is poised for its next leg of growth as we have recently commissioned Block I of ~2 Lac Sq Ft. which is part of the greenfield expansion project. We have introduced two new product categories which are Hearables and Wearables. Apart from the existing geographies, we have forayed into the Gulf market for exports of our products under the Product Display segment. For the US market, in addition to the RV business, we recently started supplying our Industrial and Solar products to Energy Services Companies. The future looks promising for your company and we look forward to exciting times ahead.

## CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the year under review.

## DIVIDEND

Your Directors are pleased to recommend a dividend of ₹1/- (Rupee One Only) per equity share of face value of ₹10/- each (i.e. 10%) for the financial year ended March 31, 2024 subject to the approval of the Shareholders in the ensuing Annual General Meeting (“AGM”). The total outgo on account of dividend will be ₹7,72,80,701.

In view of the changes made under the Income-tax Act, 1961 by the Finance Act, 2020, dividend paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source (If any).

The dividend recommended is in accordance with the Company's Dividend Distribution Policy (“the Policy”) adopted in pursuance to the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”). The Policy contains broad parameters and factors while recommending/ declaring dividend(s) by the Board of Directors. The Policy is available on the Company's website at <https://ikio.in/uploads/policy/Dividend%20Distribution%20Policy.pdf>

## INITIAL PUBLIC OFFER

A major highlight for the year under review was the successful Initial Public Offering (“IPO”) of the Company. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on June 16, 2023. This is surely a milestone in our corporate strategy, and the Directors hereby place on record gratitude to all the shareholders and other stakeholders for their overwhelming response to the Company's IPO and for reiterating their faith in its long term growth story.

The IPO comprised of 2,12,80,701 equity shares of face value of ₹ 10 each, aggregating to ₹ 6,065 million which includes fresh issue of 1,22,80,701 Equity Shares aggregating to ₹ 3,500 million and offer for sale of 90,00,000 Equity Shares aggregating to ₹ 2,565 million.

## UTILISATION OF IPO PROCEEDS

The proceeds of the funds raised through IPO by the Company are being utilized as per the Objects of the Issue. The disclosure compliance with the Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter refer to as “the Listing Regulations”) is as under:



(Amount in ₹ Millions)

Particulars	Original Allocation	Fund Utilised Upto March 31, 2024	Fund Unutilised Upto March 31, 2024	Deviation (If any)
1) Repayment/prepayment, in full or part, of certain borrowings availed by Company and its Subsidiaries on consolidated basis	500	500	Nil	Nil
2) Investment in wholly owned Subsidiary, IKIO Solutions Private Limited, for setting up a new facility at Noida, Uttar Pradesh	2123.12	579.93	1543.19	Nil
3) General Corporate Purposes (GCP)	634.38*	443.27	191.11	Nil
<b>Total</b>	<b>3257.50</b>	<b>1523.20</b>	<b>1734.30</b>	<b>Nil</b>

\*GST amount of ₹ 35.17 million on IPO expenses retained in "Public Issue Account" (Refer: footnote to the IPO expenses table on page no. 116 of the prospectus, "All aforementioned fees do not include applicable taxes")

During the FY 2023-24, there has been no deviation in the utilization of the IPO proceeds by the Company.

## SHARE CAPITAL

As on March 31, 2024, the Authorised Share Capital of your Company is ₹1,00,00,00,000/- comprising of 10,00,00,000 equity shares of ₹10/- each. and the paid-up equity share capital of the Company is ₹77,28,07,010 /- comprising 7,72,80,701 equity shares of ₹10/- each fully paid-up.

## TRANSFER AMOUNT TO RESERVES

The Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review.

## TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company was not required to transfer any amount or share to the Investor Education and Protection Fund established by the Central Government.

## DEPOSITS

During the year under review, your Company has neither invited nor accepted/renewed any deposits within the meaning of Section 73 of the Companies 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the March 31, 2024.

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

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure A** to this Report.

## PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Act read with rule 5 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company is annexed as **Annexure B** to this Report.

## CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129(3) of the Act and the SEBI Listing Regulations, the Consolidated Financial Statements of your Company were prepared in accordance with the applicable Ind AS and forms part of the Annual Report.

## SUBSIDIARIES / JOINT VENTURES / ASSOCIATES

As on March 31, 2024, your Company had 04 Subsidiaries (including direct, Step-down Subsidiaries).

### Direct Subsidiaries

- Royalux Lighting Private Limited
- IKIO Solutions Private Limited

### Indirect Subsidiaries

- Royalux Exports Private Limited
- Royalux LLC

During the Financial Year 2023-24, the "Fine Technologies (India) Private Limited" (wholly owned subsidiary) has been amalgamated with "Royalux Lighting Private Limited" (Step down subsidiary) vide Order No. RDNR/TC-1/233/AA6493578/2023/10716 dated March 18, 2024 of the Regional Director of Northern Region.

Due to amalgamation, "Royalux Lighting Private Limited" has now become the wholly owned subsidiary of the IKIO Lighting Limited and Royalux Exports Private Limited" has now become the wholly owned subsidiary of "Royalux Lighting Private Limited".

Also, IKIO Solutions Private Limited (Wholly-Owned Subsidiary of IKIO Lighting Limited) has incorporated a New wholly owned subsidiary in the name of "**ROYALUX LLC**" in USA at "INDIANAPOLIS IN 46240".

After closure of FY 2023-24, IKIO Solutions Private Limited has acquired 100% shareholding in “Ritech Holding Limited”, having registered office at DD-14-124-027, Al Katem Tower Wework Hub 71, Abu Dhabi, Al Maryah Island UAE. Ritech Holding Limited, has downline subsidiary “Royalux FZCO” at Jebel Ali Free Zone.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of Subsidiaries and Associates of the Company in the prescribed format Form AOC – 1 is annexed as **Annexure C**, forms part of this Report. Please refer the consolidated financial statements for the financial year ended March 31, 2024 for the details of performance and contribution of the subsidiaries to the overall performance of your Company. In accordance with Section 136 of the Act the financial statements of all the subsidiaries are available on the Company’s website and can be accessed through the link <https://ikio.in/financial-information>.

### MATERIAL SUBSIDIARY

In terms of the provisions of the SEBI Listing Regulations, your Company has a policy for determining ‘Material Subsidiary’ and the said policy is available on the Company’s website and can be accessed through the link <https://ikio.in/uploads/policy/IKIO%20POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARIES.PDF>. During the year under review, your Company had two material unlisted subsidiary companies namely, Royalux Lighting Private Limited and Royalux Exports Private Limited.

### LISTING AT STOCK EXCHANGES

The equity shares of your Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company got listed on BSE Limited and National Stock Exchange on 16<sup>th</sup> June 2023.

### MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, as required under Regulation 34 read with Schedule V to the SEBI Listing Regulations, forms part of the Annual Report.

### CORPORATE GOVERNANCE REPORT

The Corporate Governance Report as required in terms of SEBI Listing Regulations forms part of the Annual Report. A certificate from Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations is annexed with the Corporate Governance Report.

### DIRECTORS’ RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(5) of the Act, your Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and the profit and loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all Independent Directors that they fulfil the conditions of independence prescribed under Section 149(6) of the Act as well as SEBI Listing Regulations. Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties as an Independent Directors. They have got themselves registered in the data bank for Independent Directors being maintained by the Indian Institute of Corporate Affairs (IICA), of the Ministry of Corporate Affairs, Government of India and their names are included in the data bank maintained by IICA. The Board after assessing their disclosures confirms that all Independent Directors fulfil the conditions of independence specified in the Act and SEBI Listing Regulations and are independent of the management of the Company. The Board is satisfied of the integrity, expertise and experience (including proficiency) of the all the Independent Directors of the Company.



## CONFIRMATION BY DIRECTORS REGARDING DIRECTORSHIP / COMMITTEE POSITIONS

Based on the disclosures received from Directors, none of the Directors on the Board holds directorships in more than ten public companies including seven listed companies and none of the Independent Directors served as an Independent Director in more than seven listed entities as on March 31, 2024. Further, no Whole-time Director served as an Independent Director in any other listed company. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024 have been made by the Directors and have been reported in the Corporate Governance Report and forms part of the Annual Report.

## BOARD MEETINGS

During the financial year 2023-24, seven board meetings were held on 12/05/2023, 29/05/2023, 10/06/2023, 24/06/2023, 04/08/2023, 04/11/2023 and 08/02/2024. The meeting details are provided in the Corporate Governance Report which forms part of the Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013. Details of attendance of directors are mentioned in Corporate Governance Report.

## AUDIT COMMITTEE

As on March 31, 2024, the Audit Committee comprises of 3 Directors including 2 Independent Directors. Mr. Rohit Singhal, Independent Director is the Chairman of the Committee and Mr. Kishore Kumar Sansi (Independent Director), & Mr. Hardeep Singh (Managing Director) are the members of the Committee. All the recommendations by the Audit Committee were accepted by the Board. Other details, are provided in the Corporate Governance Report which forms part of the Annual Report.

## AUDITORS AND THEIR REPORTS

### Statutory Auditor

M/s BGJC & Associates LLP, Chartered Accountants (Firm Registration No 003304N/N500056) were appointed as Statutory Auditors of the Company for a period of five years commencing from the financial year 2021-22 until the financial year 2025-26.

The Auditors' Report for the FY 2023-24 does not contain any qualification. The notes to the financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further explanations or comments.

### Secretarial Auditor

M/s. Mehak Gupta & Associates, Practicing Company Secretary (COP No. 15013, Membership No. FCS 10703) were appointed as a Secretarial Auditor of the Company to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report is annexed as **Annexure D** to this Report. The Report is self-explanatory and does not contain any qualification, reservation or adverse remark.

Royalux Lighting Private Limited and Royalux Exports Private Limited, are the material subsidiaries of the Company. Pursuant to Regulation 24A of the SEBI Listing Regulations, the Secretarial Audit Report of Royalux Lighting Private Limited and Royalux Exports Private Limited for the financial year ended March 31, 2024 issued by Practicing Company Secretaries are annexed as **Annexure E & F** respectively to this Report.

### Cost Audit

The provision of Section 148 of Companies Act, 2013 about appointment of Cost Audit are not applicable to the Company.

### Internal Auditor

Pursuant to provisions of Section 138 of the Companies Act, 2013 M/s, Shiv Saroj & Associates (Chartered Accountants), bearing membership no – 019715N, Internal Auditors of the Company have conducted internal audit of the functions and activities of the Company and effectiveness of Internal Control Systems of the Company during Financial Year 2023-24.

## REPORTING OF FRAUDS

During the year under review, none of the Auditors of the Company have reported any fraud as specified under Section 143(12) of the Act.

## SECRETARIAL STANDARDS

The Secretarial Standards i.e. SS-1 & SS-2 issued by the Institute of Company Secretaries of India relating to meetings of the Board of Directors and General Meetings, respectively have been duly complied by the Company.

## DISCLOSURE ABOUT RECEIPT OF COMMISSION

In terms of Section 197(14) of the Act and rules made there under, during the year under review, none of the directors of the Company has received any commission from the Company or any of its subsidiary Company, thus the said provision is not applicable to your Company.



## CREDIT RATING

The credit rating agency, CRISIL Limited on July 04, 2023 has reaffirmed its rating on the long term bank facilities 'CRISIL BBB-/Positive'.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2024, the Board comprises of 6 Directors (3 Executive and 3 Non-Executive Directors). Independent Directors constitute 50% of the Board's strength.

During the year under review following changes took place in the composition of Board of Directors of the Company:

- Mr. Hardeep Singh (DIN: 00118729), who was liable to retire by rotation was re-appointed by the members vide ordinary resolution at the AGM held on September 14, 2023.
- Based on the market capitalisation, issued by stock exchange, the Company fall under top 1000 listed Companies. Pursuant to regulation 17 of SEBI (LODR), the Company has appointed Ms. Rachana Chowdhary as an Additional Director in the capacity of Independent Woman Director on the Board of Directors of the Company w.e.f May 24, 2024.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with Articles of Association of the Company, Mrs. Surmeet Kaur (00118695) is liable to retire by rotation at the ensuing AGM and being eligible, has offered herself for re-appointment. The resolution seeking Members approval for her re-appointment forms part of the AGM Notice. The Board of Directors of your Company has recommended her re-appointment based on the recommendation of Nomination and Remuneration Committee. A brief resume of Mrs. Surmeet Kaur along with other details as stipulated under Regulation 36(3) of the SEBI Listing Regulations read with the Secretarial Standards on General Meetings, is provided in the Notice convening the AGM.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Hardeep Singh (Managing Director & Chairman), Mrs. Surmeet Kaur (Whole Time Director), Mr. Sanjeet Singh (Whole Time Director), Mr. Subhash Chand Agrawal (Chief Financial Officer) and Mr. Sandeep Kumar Agarwal (Company Secretary & Compliance Officer) are the Key Managerial Personnel of the Company as on March 31, 2024.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate Social Responsibility ("CSR") is a way of conducting business, by which corporate entities visibly contribute to the social good and the welfare of society at large with an aim to improve quality of

life of people. The Company feels that the essence of CSR is to integrate economic, environmental and social objectives with the Company's operations and growth. CSR is the process by which an organization thinks about and evolves its relationships with society for the common good and demonstrates its commitment by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies. To give further impetus to this cause, the Company endeavors to manage its operations with an emphasis on Sustainable development to minimize impact on environment and promotes inclusive growth.

The CSR policy of the Company is available on the website of the Company at [https://ikio.in/uploads/policy/Corporate%20Social%20Responsibility%20\(CSR\)%20Policy.pdf](https://ikio.in/uploads/policy/Corporate%20Social%20Responsibility%20(CSR)%20Policy.pdf).

The Company's CSR policy statement and the annual report on CSR activities undertaken during the financial year ended March 31, 2024, in accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is given at "**Annexure G**" to this Report.

The CSR Committee comprises two Executive Directors namely Mr. Hardeep Singh (Chairman) and Mrs. Surmeet Kaur and one Non-Executive Independent Directors namely, Mr. Chandra Shekhar Verma. The details of the CSR Committee meetings and the attendance of the members thereat are provided in the Corporate Governance Report and forms part of this Report.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return of the Company is available on the Company's website and can be accessed through the link <https://ikio.in/annual-return>

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report as required in terms of SEBI Listing Regulations is annexed as **Annexure H** to this Report.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, guarantees and investments covered under the provisions of section 186 are disclosed in the notes to the Standalone Financial Statement.

## PARTICULARS OF CONTRACTS / ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered during the year were in the ordinary course of business and



at arm's length basis. There were no material related party transactions during the year.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2023-24 and hence, does not form part of this report.

Details of related parties and transactions entered into with/by them etc. have been disclosed in Note no. 43 of the Standalone Financial Statements.

Prior approval of the Audit Committee was sought for entering into related party transactions. A statement of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for its review. Omnibus approval was obtained for transactions which were repetitive in nature. Transactions entered into pursuant to omnibus approval were placed before the Audit Committee for its review during the year. The related party transactions policy was adopted by the Company is available on the Company's website and can be accessed through the link <https://ikio.in/uploads/policy/Related%20Party%20Transaction%20Policy.pdf>.

## NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy was devised in accordance with Section 178 of the Act and the SEBI Listing Regulations. The Nomination and Remuneration Policy of the Company is aimed at inculcating a performance-driven culture. The said policy, inter alia, includes criteria for determining qualifications, positive attributes and independence of directors and policy relating to the remuneration for the Directors, Key managerial personal and other employees of the Company. Through its comprehensive compensation programme, the Company endeavours to attract, retain, develop and motivate a high-performance workforce. The said policy is available on the Company's website and can be accessed through the link <https://ikio.in/uploads/policy/Nomination%20&%20Remuneration%20Policy.pdf>.

## ANNUAL EVALUATION OF BOARD PERFORMANCE, PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of your Company on the recommendation of Nomination and Remuneration Committee had laid down the criteria for evaluation of performance of the Board, its Committees, Chairperson and individual Directors including Independent Director. Accordingly, annual performance evaluation process was carried out based on evaluation forms, which include a rating mechanism. Independent Directors in a separate meeting also reviewed the performance

of the Board as a whole, Non-Independent Directors and the Chairman, taking into account the views of the Executive Directors and Non-Executive Directors. The Independent Directors in the said meeting also evaluated the quality, quantity and timeliness of the flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform their duties.

The Board carried out annual performance evaluation of its own performance on the basis of evaluation forms received from all the Directors. The performance of each Board Committee was evaluated by the Board, based on evaluation forms received from the respective Committee members. Further, performance of every Director was evaluated by Nomination & Remuneration Committee as well as the Board on the basis of evaluation forms received from all the Directors except the Director being evaluated. Based on the evaluation forms received, the performance of the Board, its Committees and individual Directors was evaluated by the Board and the Board expressed satisfaction over their performances.

## INTERNAL FINANCIAL CONTROL

The Company has a robust and well embedded system of internal control, which ensures that all the assets of the Company are safeguarded and protected against any loss from unauthorized use or disposition and all the transactions are authorised, recorded and reported correctly. Internal audit and management reviews provides assurance on the effectiveness of internal financial controls, which are continuously monitored through management reviews, self-assessment, functional experts as well as by the Statutory/ Internal Auditors during the course of their audits.

Your Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate. Your Company has implemented robust process to ensure that all internal financial controls are effectively working.

The Statutory Auditors Report also includes their reporting on internal financial controls over Financial Reporting.

## PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

During the period under review, there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 against the Company.

## RISK MANAGEMENT

Pursuant to Regulation 21 of the SEBI Listing Regulations, your Company has constituted a Risk Management Committee, the details of which are

given in Corporate Governance Report. The Company has also put in place a Risk Management Policy for identification, assessment, monitoring and mitigation of various risks. The said policy is available on the Company's website and can be accessed through the link <https://ikio.in/uploads/policy/Risk%20Management%20Policy.pdf>.

The Audit Committee has additional oversight in the area of financial risks and controls. The major business and process risks are identified from time to time by the businesses and functional heads. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. In the opinion of the Board, there are no risks which may threaten the existence of the Company.

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

During the year under review, no significant and material order was passed by the regulators or courts or tribunals which would impact the going concern status of your Company and its operations in future.

### POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has a policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH') and the rules framed thereunder with the objective of providing a safe working environment to all the team members, free from discrimination on any ground and from harassment at workplace including sexual harassment. All employees including of subsidiaries (regular, temporary, ad-hoc, contractual, probationers and trainees) are covered under this policy. The policy is gender neutral.

An internal Complaints Committee has been set-up to redress complaints received regarding sexual harassment at various workplaces in accordance with POSH. The Committee constituted in compliance with POSH ensures a free and fair enquiry process with in time limit prescribed in the policy for resolution. During the year under review, the Company had not received any complaint on sexual harassment and no complaint was pending as on March 31, 2024.

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has in place a Whistle Blower Policy in line with the provisions of the Act and SEBI Listing Regulations, which provides a formal mechanism for the Directors and Employees of the Company to report to the relevant authorities within the Company any unethical behaviour, actual or suspected fraud, violation of the applicable laws, Codes / Policies of the Company or leak or suspected leak of confidential / proprietary information etc. and to ensure that they are protected against any adverse action and/ or discrimination as a result of such reporting. During the year under review, the Company had not received any complaint under Whistle Blower Policy and no complaint was pending as on March 31, 2024. None of the person has been denied access to the Chairperson of the Audit Committee. The said policy is available on the Company's website and can be accessed through the link <https://ikio.in/uploads/policy/VigilMechanismPolicy.pdf>.

### DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS

During the year under review, there has been no one time settlement of loans taken from Banks and Financial Institutions.

### ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of Board of Directors of  
**IKIO Lighting Limited**

**Hardeep Singh**  
Managing Director  
DIN-00118729

**Surmeet Kaur**  
Whole Time Director  
DIN-00118695

Place: Noida  
Date: May 24, 2024



## Annexure A

### INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF COMPANIES (ACCOUNTS) RULES, 2014 FOR THE YEAR ENDED MARCH 31, 2024

#### (A) CONSERVATION OF ENERGY

Every effort is made to save Electricity, water, and other resources. Energy saving through various improvement projects is a way of life at IKIO Lighting Limited. We look at each and every opportunity to optimise the operations, utilisation of assets, striving for higher productivity and efficiency thus optimising the energy requirements for the manufacturing in all plants.

Energy Conservation continues to be a key focus area for the manufacturing plants and related functions. Continuous improvement programs help to optimize, reduce specific consumption of fuel, power and water. Benchmarking of best performance, base lining of best consumption and identification of losses is considered for setting targets. As part of long term sustainability, your Company ensures that the products, packaging and operations are safe for employees, consumers, stakeholders and the environment. Your Company ensures this with a focus on technologies, processes and improvements that matter for the environment. As an organization, your Company is committed to the goal of sustainable and inclusive growth. As a manufacturer of electrical products, your Company has a special responsibility towards energy conservation. This is reflected in our product development efforts and process upgrades. The Company has installed the 200 KVA Solar roof top panel at the New Capacity for Captive use.

Some of the Energy conservation measure taken during the year are as under:

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

#### (B) TECHNOLOGY ABSORPTION:

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

1. Efforts, in brief, made towards technology absorption, adaptation and innovation : Major initiatives are being taken to upgrade the various processes by making use of latest and better techniques. Efforts are constantly being made to make the maximum use of the available infrastructure, at the same time innovating new techniques to bring about efficiency as well as economy in different areas. Employees are given appropriate training of and on the job, to enable them to achieve the planned performance.
2. Benefits derived as a result of the above efforts e.g. product improvement: There were various benefits derived as a result of the efforts listed above, some of them included better utilisation of the available resources, product improvement and development, cost reduction, better overall efficiency.

#### (C) FOREIGN EXCHANGE EARNINGS & OUTGO

The Income and expenditure in foreign exchange (on standalone basis) is as under during the financial year 2023-24 is as below:

	(Amount in ₹ Millions)	
<b>Earnings in foreign currency</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
F.O.B. value of exports	19.93	4.19

	(Amount in ₹ Millions)	
<b>Expenditure in foreign currency</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Property, Plant and Equipment	5.68	1.48
Raw material	841.75	819.60



## Annexure B

### (A) DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S. No	Prescribed Requirement	Particulars
1	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Ratio of the remuneration of Mr. Hardeep Singh, Managing Director to the median remuneration of the Employees - 135 : 1 Ratio of the remuneration of Mrs. Surmeet Kaur, Whole Time Director to the median remuneration of the Employees - 57 : 1 Ratio of the remuneration of Mr. Sanjeet Singh, Whole Time Director to the median remuneration of the Employees - 13 : 1
2	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	There is no percentage increase in Salary of Directors ( including Managing Director, Whole Time Director), Percentage increase in remuneration CFO - 25% & Company Secretary - 21%
3	Percentage increase/(decrease) in the median remuneration of employees in the financial year	8.18
4	Number of permanent employees on the rolls of company	769
5	Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the Provision of Section 178 of the Company Act, 2013

Note: During the Financial Year 2023-24 Only sitting fees was paid to Independent Directors.

### (B) DURING THE YEAR UNDER REVIEW FOLLOWING WERE THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN

i)

S. No.	Name / Designation	Age	Qualification & Experience (in Years)	Date of Commencement of Employment in IKIO Lighting Limited	Nature of Employment	Remuneration Received during FY 2023-24 (₹)	Last Employer & Designation	% age of Equity shareholding	Whether, employee is the relative of other Director(s), if so. name of such Director
1	Mr. Hardeep Singh - Managing Director	65	More than two decades of experience	21-03-2016	Permanent	1,87,20,000	Promoter of the Company	42.7	Spouse of Mrs. Surmeet Kaur, Whole Time director of the Company & father-in-law of Mr. Sanjeet Singh, Whole Time Director of the Company
2	Mrs. Surmeet Kaur - Whole Time Director	63	BA (Honers), More than two decades of experience	21-03-2016	Permanent	79,20,000	Promoter of the Company	29.76	Spouse of Mr. Hardeep Singh, Managing Director of the Company & mother-in-law of Mr. Sanjeet Singh, Whole Time Director of the Company
3	Mr. Subhash Agrawal - CFO	53	CA, 24 Years of working Experience	15-02-2022	Permanent	50,00,400	LARS Medicare Pvt.Ltd., - CFO		
4	Mr. K.G. Siju - Operation Head of LED Lighting Division	48	B.Com, 18 Years of Working Experience	01-05-2019	Permanent	46,40,004	INKO Technologies		



S. No.	Name / Designation	Age	Qualification & Experience (in Years)	Date of Commencement of Employment in IKIO Lighting Limited	Nature of Employment	Remuneration Received during FY 2023-24 (₹)	Last Employer & Designation	% age of Equity shareholding	Whether, employee is the relative of other Director(s), if so. name of such Director
5	Mr. Manoj Chetal - Plant Head of LED Lighting Division	63	B.Tech, has years of experience in Public & Private Companies	30-12-2017	Permanent	32,34,000	Microtech India - Quality Head		
6	Mrs. Deepti Pokhriyal - Sr. Manager (Admin.)	49	BA, 17 years of work experience	01-09-2023	Permanent	30,00,000	Fine Technologies (India) Private Limited (WOS of the Company)		
7	Mr. Parveen Kumar Saini - R&D Head	38	B.Tech Electronics & Communication, 14 Years	17-12-2018	Permanent	28,02,804	Dixon Technologies (India) Ltd.- Dy Manager		
8	Mr. Sandeep Kumar Agarwal - Company Secretary	47	CS, M.Com, MBA (F), More than 17 Years of Working Experience	19-02-2022	Permanent	19,96,500	Orissa Stevedores Ltd.- Sr.Manager		
9	Mr. Sanjeet Singh - Whole Time Director	38	B.Com, as years of experience in Public & Private Companies.	01-02-2019	Permanent	19,08,000	-		Son-in-law of Mr. Hardeep Singh (Managing Director) and Mrs. Surmeet Kaur (Whole Time Director)
10	Mr. Amit Sharma - Corporate Head (HR & Admin)	47	MBA & LLB	12-07-2022	Permanent	18,36,036	Golden Peacock - Corpor		

**ii) Persons employed for the full year ended March 31, 2024 who were in receipt of the remuneration which in the aggregate was not less than ₹1,02,00,000/- p.a**

S. No	Employee Name	Designation	Gross Remuneration (In ₹)	Total Experience in Years	Date of Commencement of Employment	Age in Years	Last Employer & Designation Head
1	HARDEEP SINGH	Managing Director	1,87,20,000	More than two decades of experience	21 <sup>st</sup> March 2016	65	Promoter of the Company

**iii) Persons employed for part of the year ended March 31, 2024 who were in receipt of the remuneration which in the aggregate was not less than ₹8,50,000/- p.m.**

S. No	Employee Name	Designation	Gross Remuneration	Qualification	Total Experience in Years	Date of commencement of Employment	Age in Years	Last Employer & Designation Head
	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

**iv) Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: None**

**Notes:**

Remuneration includes salary, allowances, Company's contribution to provident fund, commission, retirement benefits and monetary value of perquisites. The term remuneration has the meaning assigned to it in the Explanation to Section 198 of the Companies Act, 2013.

## Annexure C

### FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹)

		Amount in Millions
Sl. No.	Particulars	Details
1.	Name of the subsidiary	ROYALUX LIGHTING PRIVATE LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
4.	Share capital	99.41
5.	Reserves & surplus	861.09
6.	Total assets	1,744.63
7.	Total Liabilities	718.16
8.	Investments	135.31
9.	Turnover	1,953.55
10.	Profit before taxation	455.43
11.	Provision for taxation/Deferred Tax	116.56
12.	Profit after taxation	338.87
13.	Proposed Dividend	-
14.	% of shareholding	100%

**PART "A": SUBSIDIARIES**

(Information in respect of each subsidiary to be presented with amounts in ₹)

		Amount in Millions
Sl. No.	Particulars	Details
1.	Name of the subsidiary	IKIO SOLUTIONS PRIVATE LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
4.	Share capital	290.60
5.	Reserves & surplus	554.27
6.	Total assets	1,458.48
7.	Total Liabilities	613.61
8.	Investments	75.85
9.	Turnover	2.61
10.	Profit before taxation	-37.73
11.	Provision for taxation/Deferred Tax	-0.97
12.	Profit after taxation	-36.76
13.	Proposed Dividend	-
14.	% of shareholding	100%

**PART "A": SUBSIDIARIES**

(Information in respect of each subsidiary to be presented with amounts in ₹)

		Amount in Millions
Sl. No.	Particulars	Details
1.	Name of the subsidiary	ROYALUX EXPORTS PRIVATE LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
4.	Share capital	99.13
5.	Reserves & surplus	188.64
6.	Total assets	887.00
7.	Total Liabilities	599.23
8.	Investments	-
9.	Turnover	530.22
10.	Profit before taxation	54.42
11.	Provision for taxation/Deferred Tax	19.00
12.	Profit after taxation	35.42
13.	Proposed Dividend	-
14.	% of shareholding	100%



## PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹)

		Amount in Millions
Sl. No.	Particulars	Details
1.	Name of the subsidiary	Royalux LLC
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
4.	Share capital	75.85
5.	Reserves & surplus	-0.86
6.	Total assets	74.99
7.	Total Liabilities	-
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	0.12
11.	Provision for taxation/Deferred Tax	-
12.	Profit after taxation	0.12
13.	Proposed Dividend	NA
14.	% of shareholding	100%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year – NIL
- During the Financial Year 2023-24, the "Fine Technologies (India) Private Limited" (wholly owned subsidiary) has been amalgamated with "Royalux Lighting Private Limited"( Step down subsidiary) vide Order No. RDNR/TC-1/233/AA6493578/2023/10716 dated 18<sup>th</sup> March, 2024, the Regional Director of Northern Region.

## PART "B": ASSOCIATES AND JOINT VENTURES

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Information in respect of each Associate/ Joint Venture to be presented with amounts in ₹)

Name of associates/Joint Ventures	-
1. Latest audited Balance Sheet Date	
2. Shares of Associate/Joint Ventures held by the company on the year end	
• No. of shares	
3. Amount of Investment in Associates/Joint Venture	
4. Extend of Holding%	
5. Description of how there is significant influence	
6. Reason why the associate/joint venture is not consolidated	
7. Net worth attributable to shareholding as per latest audited Balance Sheet	
8. Profit/Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations - NIL
- Names of associates or joint ventures which have been liquidated or sold during the year – NIL

By Order of the Board of Director  
**IKIO Lighting Limited**

Place: Noida  
Date: May 24, 2024

Sd/-  
**Hardeep Singh**  
Managing Director  
DIN: 00118729



## Annexure D

# FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To

**The Members**

**IKIO Lighting Limited**

CIN: L31401DL2016PLC292884

411, Arunachal Building 19

Barakhamba Road, Connaught Place,

New Delhi- 110001

I, Mehak Gupta, Proprietor of Mehak Gupta & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IKIO Lighting Limited (CIN-L31401DL2016PLC292884) (hereinafter called the **"the Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (as amended) (**'the Act'**) and the rules made there under;
- (ii) Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended);
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended);
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended);
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - **During the period under review, the Company has filed an application for 'In Principle Approval' to NSE & BSE. Approval from the Stock Exchanges are under process.**
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - **(Not applicable to the Company during the audit period).**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - **(Not applicable to the Company during the audit period)**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **(Not applicable to the Company during the audit period).**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
  - j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (vii) I further report that, having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the provisions of Labour Laws, Environmental Laws and other related Industry specific laws to the extent applicable to the Company.

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

### I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, there was no change in the composition of the Board of Directors.

Adequate notice has been given to all Directors to schedule the Board Meetings / Committee Meetings during the financial year under review, agenda and detailed notes on agenda were sent generally at least seven days in advance to all the Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. On inspection of the minutes as captured and recorded it was ascertained that all the decisions of the Board and Committees' Meetings were unanimous and there were no dissenting views.

I further report that, based on the review of the compliance reports and the certificates of the Company Executive and taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company is generally regular in filing of e-forms with the Registrar of Companies within the time prescribed under the Act.

I further report that during the audit period, there was specific event/action having a major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.,

- ◆ The Company was Listed on National Stock Exchange 'NSE' and Bombay Stock Exchange 'BSE' on June 16, 2023.
- ◆ As per the Object of the offer mentioned in Prospectus for IPO of the Company, the Company took approval of Board from time to time for making investment in wholly owned Subsidiaries Company (Such as Fine Technologies (India) Private Limited. IKIO Solution Private Limited), by way of purchase of their equity share to deployment of the net proceeds of the initial public offering of the Company.
- ◆ Fine Technologies (India) Private Limited (wholly owned subsidiary of the company) has been amalgamated with Royalux Lighting Private Limited (Step down subsidiary of the company) Vide order number **RDNR/TC-1/233/AA6493578/2023/10716** dated March 18, 2024 issued by the Regional Director, Northern Region.

### I further have to state that:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, we followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.



4. Where-ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mehak Gupta & Associates**  
Company Secretaries

**Mehak Gupta**

Prop.

FCS No.: 10703

C P No.: 15013

Peer Review No. 1643/2022

UDIN: F010703F000404140

Place: Delhi

Date: May 20, 2024



## Annexure E

# FORM NO. MR-3 SECRETARIAL AUDIT REPORT

**For the Financial Year ended March 31, 2024**

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

To  
**The Members**  
**Royalux Lighting Private Limited**  
411, Arunachal Building,  
19 Barakhamba Road,  
New Delhi – 110 001

I, Ashish Kumar Gupta, Proprietor, AKG & Co., Company Secretaries, has conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/s Royalux Lighting Private Limited** (hereinafter called the "**Company/ Company's**"). Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of "**Company's**" Books, Papers, Minute books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the Audit period covering the financial year ended on March 31, 2024, generally complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Books, Papers, Minute books, Forms and Returns filed and other records maintained by **M/s Royalux Lighting Private Limited** for the financial year ended on March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under – **Not Applicable;**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under to the extent applicable to Unlisted Company for having the shares in demat form – **Not Applicable;**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not Applicable;**
- (v) The Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **to the extent applicable:**
  - a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 in reference to dematerialisation of Securities of unlisted Public Limited Companies (please refer Sub Rule 7 of Rule 9A of Companies (Prospectus and Securities) Rules 2014.
- (vii) Listing Agreement with Any Stock Exchange – **Not Applicable;**
- (viii) I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant records in pursuance therefore, on test check basis, the Company has complied with the provisions of the Labour laws, Environmental laws, and other related Industry specific laws to the extent applicable to the Company.

**I further report that the Company (transferee) has been amalgamated with M/s Fine Technologies (India) Private Limited (Transferor), its holding Company vide Order No. RDNR/TC-1/233/AA6493578/2023/10716 dated March 18, 2024 as issued by the Regional Director, Northern Region.**



I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Further, the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that adequate notice was given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings, as represented by the management, were taken unanimously and there were no dissenting views.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the period under review, as explained and represented by the management, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., having a major bearing on the Company's affairs.

Place: Delhi  
Dated: 22/05/2024

**Ashish Kumar Gupta**  
Practicing Company Secretary  
M. No.: 6433  
C.P. No.: 6859  
UDIN: F006433F000418823  
Peer Review No.: 766

## “Annexure A”- An integral part of Secretarial Audit Report

**To**  
**The Members**  
**Royalux Lighting Private Limited**

411, Arunachal Building,  
19 Barakhamba Road, New Delhi – 110 001

My report of even date is to be read along with this letter:

### MANAGEMENT’S RESPONSIBILITY

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### AUDITOR’S RESPONSIBILITY

2. I have followed the audit practices and process as it was appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices followed provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

### DISCLAIMER

5. I further report that the compliance by the Company of applicable Financial Laws and maintenance of Financial records and Books of Accounts has not been reviewed in this Audit since the same have been subject to review under Statutory Audit to be done by other designated professional.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Delhi  
Dated: 22/05/2024

**Ashish Kumar Gupta**  
Practicing Company Secretary  
M. No.: 6433  
C.P. No.: 6859  
UDIN: F006433F000418823  
Peer Review No.: 766



## Annexure F

# FORM NO. MR-3 SECRETARIAL AUDIT REPORT

**For the Financial Year ended March 31, 2024**

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

To

**The Members**

**Royalux Exports Private Limited**

411, Arunachal Building,

19 Barakhamba Road, New Delhi – 110 001

I, Ashish Kumar Gupta, Proprietor, AKG & Co., Company Secretaries, has conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/s Royalux Exports Private Limited** (hereinafter called the "**Company/ Company's**"). Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **Company's** Books, Papers, Minute books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the Audit period covering the financial year ended on March 31, 2024, generally complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Books, Papers, Minute books, Forms and Returns filed and other records maintained by **M/s Royalux Exports Private Limited** for the financial year ended on March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under – **Not Applicable;**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under to the extent applicable to Unlisted Company for having the shares in demat form;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not Applicable;**
- (v) The Secretarial Standard 1 & 2 as issued by The Institute of Company Secretaries of India;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **to the extent applicable:**
  - a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 in reference to dematerialisation of Securities of unlisted Public Limited Companies (please refer Sub Rule 7 of Rule 9A of Companies (Prospectus and Securities) Rules 2014.
- (vii) Listing Agreement with Any Stock Exchange – **Not Applicable;**
- (viii) I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant records in pursuance therefore, on test check basis, the Company has complied with the provisions of the Labour laws, Environmental laws, and other related Industry specific laws to the extent applicable to the Company.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Further, the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.



I further report that adequate notice was given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings, as represented by the management, were taken unanimously and there were no dissenting views.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the period under review, as explained and represented by the management, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., having a major bearing on the Company's affairs.

Place: Delhi  
Dated: 22/ 05/ 2024

**Ashish Kumar Gupta**  
Practicing Company Secretary  
M. No.: 6433  
C.P. No.: 6859  
UDIN: F006433F000418878  
Peer Review No.: 766



# “Annexure A”- An integral part of Secretarial Audit Report

To  
The Members  
Royalux Exports Private Limited  
411, Arunachal Building,  
19 Barakhamba Road,  
New Delhi – 110 001

My report of even date is to be read along with this letter:

## MANAGEMENT'S RESPONSIBILITY

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

## AUDITOR'S RESPONSIBILITY

2. I have followed the audit practices and process as it was appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices followed provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

## DISCLAIMER

5. I further report that the compliance by the Company of applicable Financial Laws and maintenance of Financial records and Books of Accounts has not been reviewed in this Audit since the same have been subject to review under Statutory Audit to be done by other designated professional.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Delhi  
Dated: 22/ 05/ 2024

**Ashish Kumar Gupta**  
Practicing Company Secretary  
M. No.: 64-33  
C.P. No.: 6859  
UDIN: F006433F000418878  
Peer Review No.: 766

## Annexure G

# Annual Report on Corporate Social Responsibility (CSR) Activities

For the Financial Year 2023-24

### 1. Brief outline on CSR Policy of the Company.

The Company has framed a CSR Policy in compliance with the provision of The Companies Act, 2013 and rules made thereunder. The CSR Policy, inter alia, covers the concept (CSR philosophy, snapshot of activities undertaken by the group and applicability, scope (area/localities to be covered and activities), resources, identification and approval process (resources/fund allocation, identification process and approval process) modalities of execution and implementation and monitoring.

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the FY 2023-24	Number of meetings of CSR Committee attended during the year
1.	Mr. Hardeep Singh	Chairperson	1	1
2.	Mrs. Surmeet Kaur	Member	1	1
3.	Mr. Chandra Shekhar Verma	Member	1	1

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

Particular	Web-link
Composition of CSR Committee	<a href="https://ikio.in/corporate-governance">https://ikio.in/corporate-governance</a>
CSR Policy	<a href="https://ikio.in/leadership-governance?team=1">https://ikio.in/leadership-governance?team=1</a>
CSR projects approved by the board	No specific projects were approved during FY 2023-24.

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)
1	2020-21	Nil
2	2021-22	Nil
3	2022-23	Nil
<b>TOTAL</b>		<b>Nil</b>

### 6. Average net profit of the company as per section 135(5)

The Average net profit of the Company for the preceding three financial years was ₹32,85,36,944/-

### 7. (a) Two percent of average net profit of the company as per section 135(5): ₹65,70,739/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹65,70,739/-



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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹66,00,000/-	Nil	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (yes/no)	Location of the project	Project duration	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	CSR Registration number
				State	District			Name			
No Ongoing projects, hence not applicable											

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

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (yes/no)	Location of the project		Amount spent for the Project	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	CSR Registration number
				State	District			Name	
1	Promoting Health Care	Promoting Health Care	No	Manipur	Bishnupur	16,00,000	No	The Development on Communication Arts & Culture Science Economics & Education Centre	CSR00004860
2	Promoting Education	Promoting Education	Yes	Haryana	Gurgaon	50,00,000	No	Katyani Mandir Gyan Kartar Ashram	CSR00047885

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹66,00,000/-

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹65,70,739/-
(ii)	Total amount spent for the Financial Year	₹66,00,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹29,261/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
N.A.							



**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in Which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project- Completed / Ongoing.
				N.A				

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year**

- (a) Date of creation or acquisition of the capital asset(s). Not Applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset. Not Applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Not Applicable

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

For and on behalf of the Board

**Mr. Hardeep Singh**  
 Managing Director  
 Chairman, CSR Committee  
 DIN: 00118729

Place: Noida  
 Date: May 24, 2024

# Annexure H

## Business Responsibility & Sustainability Reporting



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<b>Principle 2:</b>	Businesses should provide goods and services in a manner that is sustainable and safe	<b>78</b>
<b>Principle 3:</b>	Businesses should respect and promote the well-being of all employees, including those in their value chains	<b>79</b>
<b>Principle 4:</b>	Businesses should respect the interests of and be responsive to all its stakeholders	<b>83</b>
<b>Principle 5:</b>	Businesses should respect and promote human rights	<b>84</b>
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<b>Principle 7:</b>	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	<b>90</b>
<b>Principle 8:</b>	Businesses should promote inclusive growth and equitable development	<b>91</b>
<b>Principle 9:</b>	Businesses should engage with and provide value to their consumers in a responsible manner	<b>92</b>



## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY.

### I. Details of the listed entity

Sr. No.	Name of the Subsidiary	Location
1.	Corporate Identity Number (CIN) of the Listed Entity -	L31401DL2016PLC292884
2.	Name of the Listed Entity	IKIO LIGHTING LIMITED
3.	Date of incorporation	21-03-2016
4.	Registered office address	411, Arunachal Building 19 Barakhamba Road, Central Delhi, Connaught Place, Delhi, India, 110001.
5.	Corporate address	D-234 SECTOR -63, NOIDA, Uttar Pradesh, India, 201301
6.	E-mail	SECRETARIAL@IKIOLIGHTING.COM
7.	Telephone	0120-5084101
8.	Website	https://ikio.in/
9.	Financial year for which reporting is being done	01-04-2023 to 31-03-2024.
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE limited, 2. National Stock Exchange of India Limited
11.	Paid-up Capital	₹77,28,07,010
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Sandeep Agarwal (Company Secretary and Compliance Officer) Contact No. 0120-5084101
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures in this report are made on standalone basis.
14.	Whether the company has undertaken reasonable assurance of the BRSR Core?	No
15.	Name of assurance provider	Not Applicable
16.	Type of assurance obtained	Not Applicable

### II. Products/services

#### 14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description Of Business Activity	% of Turnover of the entity
1	Manufacturing and designing of LED lights	Electrical equipment, General Purpose and Special purpose Machinery & Equipment, Transport equipment.	100%

#### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing and designing of LED lights	27400	100%

### III. Operations

#### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	2	3
International	0	0	0



## 17. Markets served by the entity:

### a. Number of locations

Location	Number
National (No. of States)	16
International (No. of Countries)	3

### b. What is the contribution of exports as a percentage of the total turnover of the entity?

In the FY 2023-24, 0.64% of the turnover of the company is exports.

### c. A brief on types of customers:

We operate under the Business to Business (B2B) model across all our complete range of product offering. Our customers are mainly FMEG (Fast Moving Electrical Goods) companies, for whom we work as ODM (Original Design Manufacturers) for LED lighting solutions.

## IV. Employees

### 18. Details as at the end of Financial Year:

#### a. Employees and workers (including differently abled): Figures are for FY 2023-24

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1	Permanent (D)	88	73	82.95%	15	17.05%
2	Other than Permanent (E)	20	20	100.00%	0	0.00%
3	<b>Total employees (D + E)</b>	<b>108</b>	<b>93</b>	<b>86.11%</b>	<b>15</b>	<b>13.89%</b>
<b>WORKERS</b>						
4	Permanent (F)	516	159	30.81%	357	69.19%
5	Other than Permanent (G)	145	50	34.48%	95	66.52%
6	<b>Total workers (F + G)</b>	<b>661</b>	<b>209</b>	<b>31.62%</b>	<b>452</b>	<b>68.38%</b>

#### b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	0	0	0	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	<b>Total differently abled employees (D + E)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	0	0	0	0	0
5	Other than permanent (G)	0	0	0	0	0
6	<b>Total differently abled workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel	2	0	0



## 20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023-24			FY 2022-23			FY 2021-22		
	(Turnover rate in current FY)			(Turnover rate in previous FY)			(Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23.71%	22.22%	23.48%	14.12%	7.69%	13.27%	18.06%	20.00%	18.29%
Permanent Workers	40.00%	36.81%	37.83%	42.01%	39.27%	40.16%	43.31%	44.23%	43.94%

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 21. Names of holding/ subsidiary/ associate companies/ joint ventures

Sr. No.	Name of the holding / subsidiary/ associate companies/ joint ventures. (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Royalux Lighting Private Limited*	Subsidiary	100%	No
2	IKIO Solutions Private Limited	Subsidiary	100%	No
3	Royalux Exports Private Limited	Step-down Subsidiary	100%	No
4	Royalux LLC (USA)	Step-down Subsidiary	100%	NA

\*Note - "vide Order No. RDNR/TC-1/233/AA6493578/2023/10716 dated 18<sup>th</sup> March, 2024 of the Regional Director (NR), Fine Technologies (India) Private Limited" (wholly owned subsidiary of the company) has been amalgamated with "Royalux Lighting Private Limited" (Step down subsidiary of the company)"

## VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - YES
- (ii) Turnover (in ₹) = ₹2413.59 (in millions) FY 2022-23.
- (iii) Net worth (in ₹) = ₹650.00 (in millions) FY 2022-23.

## VII. Transparency and Disclosures Compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (if yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of Complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, The Grievance Redressal Mechanism is in place. <a href="https://ikio.in/contact-us">https://ikio.in/contact-us</a>	0	0	-	0	0	-
Investors (other than shareholders)	Yes, The Grievance Redressal Mechanism is in place. Investors can reach us at: <a href="https://ikio.in/investor-relation">https://ikio.in/investor-relation</a>	0	0	-	0	0	-
Shareholders	Yes, The Grievance Redressal Mechanism is in place. Shareholders are offered a platform for raising any concerns in the Annual General Meeting and they can also reach us at: <a href="https://ikio.in/investor-relation">https://ikio.in/investor-relation</a>	15	0	All the Complaints were resolved	0	0	0

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (if yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of Complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes, The Grievance Redressal Mechanism is in place for the employees and workers of the company. The HR department of the company is easily reachable for all the employees and workers.	0	0	-	0	0	-
Customers	Yes, The Grievance Redressal Mechanism is in place. The company is operating under B2B model and the customers can reach us through meetings, feedback, personalized interaction etc. However they can also reach us at: <a href="https://ikio.in/contact-us">https://ikio.in/contact-us</a>	0	0	-	0	0	-
Value Chain Partners	Yes, The Grievance Redressal Mechanism is in place. The Value Chain partners can reach us at: <a href="https://ikio.in/contact-us">https://ikio.in/contact-us</a>	0	0	-	0	0	-
Other (please specify)	NA						

#### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1	Waste Management	Risk	Waste management is a very important aspect for an industry and even more for electronic industry which generates E-waste. Improper handling of the waste so generated can lead to contamination issues. Adherence to regulatory compliances	The company recognises its responsibility and handles any waste that is generated through authorised waste management agencies. IKIO is manufacturing mainly for Philips and they being the brand owners are responsible for product life cycle.	Negative The company has to incur certain cost in disposal of the waste through authorised waste management companies and compliances but this cost is minimum against the benefits of reducing carbon foot print and land fill.
2	Water Management	Opportunity	Efficient use of water as a resource is a social responsibility for a company	The company focusses on minimum use of water in its production process. There is no liquid discharge. Portable drinking water is used in the company for Human use.	Positive Minimum cost of water and use of natural resource.
3	Health & Safety	Opportunity	The health and safety of the employees and workers is of utmost importance. Being in the electronic industry it becomes even more important as the workers are always in contact of machines.	To mitigate, the company adopts all measures for safeguarding its employees and workers. The workers are provided with appropriate safety gears for working on the machines wherever required.	Positive Safety and health of the workers increases their efficiency and increases retention.



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
4	Product design and Innovation	Opportunity	Being an electronic industry innovation is a continuous process to be in line with the ever-changing technologies and customer requirement of better light with lesser energy. For this investment in research and development is inevitable.	The company has its own Research and development department which is continuously working for designing and innovating products. The company is also adopting to better technologies machineries for lower energy consumption.	Positive The company invests on Research and Development activities, which translates into improved revenue and helps in reducing energy consumption.
5	Corporate Governance	Opportunity	Sound corporate governance acts as a pillar to its robust foundation. In the absence of corporate governance, the company gets exposed to statutory non compliances, legal issues, unnecessary fines and penalties.	To mitigate the company follows good corporate governance policies across its all departments and gives special importance to all the compliances.	Opportunity Improving compliance and eliminating possibilities of fines and penalties.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Process</b>										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	<a href="https://ikio.in/corporate-governance">https://ikio.in/corporate-governance</a>								
2	Whether the entity has translated the policy into procedures. (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	N	N	N	N	N	N	N
4	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OH SAS, ISO, BIS) adopted by your entity and mapped to each principle.	Principle 1: ISO 9001:2015 – Quality Management Systems. Principle 2: ISO 14001:2015 – Environmental Management Systems. Principle 3: ISO 45001-2018 – Occupational health and safety management systems. Principle 5: ISO 45001-2018 – Occupational health and safety management systems. Principle 6: ISO 14001:2015 – Environmental Management Systems.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	-	-	-	-	-	-	-	-	-
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-	-	-	-	-	-	-	-	-



### Governance, leadership and oversight

- 7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)
- In accordance with Philips our major customer we are moving out of Plastic Packaging and adopting sustainable packaging techniques.
- Use of water is minimum in our process & the company maintains ZLD status.
- The transition to low conversion machines, which are energy-efficient and environmentally friendly, has been a significant technical and financial challenge. Upgrading our machinery and processes to align with our sustainability goals necessitates significant capital expenditure and technical expertise. Despite these hurdles, we are committed to integrating low conversion technologies to reduce our energy consumption and greenhouse gas emissions.
- Developing new technologies for higher illumination with minimum energy requirement, in the products being manufactured for our ODEM partners.
- 8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). Mr Hardeep Singh  
CMD
- 9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details. Mr Hardeep Singh  
CMD

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)
	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action					Director					
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is implementing and adhering to all the policies in accordance with the applicable laws and regulations. These policies are also reviewed on an as-needed basis by the Board of Directors and/or its committees with the aim of streamlining and establishing sustainable measures in place for the company.									

- 11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. N N N N N N N N N

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.



## PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

### Essential Indicators

1. Percentage coverage by training and awareness programs on any of the Principles during the financial year:

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness Programs
Board of Directors	1	About business model and past journey of the company, Business awareness and awareness about the compliances.	100%
Key Managerial Personnel	1	Product Knowledge, Fire Fighting, Material & Tool Handling, Health & Safety, UL&ETL training.	100%
Employees other than BoD and KMPs	32	Product Knowledge, Fire Fighting, Material & Tool Handling, Health & Safety.	100%
Workers	32	Product Knowledge, Fire Fighting, Material & Tool Handling, Health & Safety.	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

#### Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL

#### Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of Regulatory/ enforcement agencies/ judicial institutions
NIL	NIL

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The company has the policy in place. The policy is applicable to all employees, who are Directors, Officers or workers of the Company on full-time or part-time employment with the Company.

<https://ikio.in/corporate-governance>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Programs

	FY 2023-24	FY 2022-23
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

## 6. Details of complaints with regard to conflict of interest

	Number	Remarks	Number	Remarks
Number of Complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

## 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest

Not Applicable

## 8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	27	39

## 9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	4.49%	6.76%
	b. Number of trading houses where purchases are made from	155	150
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	77.87%	77.42%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NIL	NIL
	b. Number of dealers / distributors to whom sales are made	NIL	NIL
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NIL	NIL
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	20.47%	17.36%
	b. Sales (Sales to related parties / Total Sales)	2.79%	0.79%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	100%
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

Trading house – non manufacturing entity.

## PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

### Essential Indicators

#### 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24	FY2022-23	Details of improvements in environmental and social impacts
R&D	100%	100%	• Number of electronics components and size drastically reduced.
Capex	22.65%	0.00%	• Usage of Cables/ Wires eliminated.
			• Usage of Solder / Glue paste etc reduced as per reduction of components.
			• Reduce of consumption of Plastic granules.



2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The company understands that its procurements are environmentally friendly, socially responsible and economically viable. As a part of sustainable sourcing the company gives preference for procurement from local suppliers. As a regular practice the company is working towards increasing its scope of sustainable sourcing.

b. If yes, what percentage of inputs were sourced sustainably?

At present about 9.5% of total inputs are sourced sustainably from local suppliers.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The company has a proper waste management system in place and is committed in following waste management strategies across its facilities. During the manufacturing process the waste that is generated like plastic waste, E-Waste, other Hazardous waste etc is safely disposed of through authorized agencies. Further we are OEM's manufacturing for brands so reclaiming the products is not applicable to our company.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes the Extended Producer Responsibility is applicable to the company's activities and the waste collection plan of the company is in line with the Extended Producer Responsibility plan submitted by the company to Pollution Control Board.

## PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

### Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	%
<b>Permanent employees</b>											
Male	73	73	100%	73	100%	0	0%	0	0	0	0%
Female	15	15	100%	15	100%	15	100.0%	0	0	0	0%
<b>Total</b>	<b>88</b>	<b>88</b>	<b>100%</b>	<b>88</b>	<b>100%</b>	<b>15</b>	<b>17.05</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent employees</b>											
Male	20	20	100%	20	100%	0	0.00%	0	-	0	-
Female	0	0	0.00%	0	0.00%	0	0.00%	0	-	0	-
<b>Total</b>	<b>20</b>	<b>20</b>	<b>100%</b>	<b>20</b>	<b>100%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	%
<b>Permanent workers</b>											
Male	159	159	100%	159	100%	0	0%	0	0%	0	0%
Female	357	357	100%	357	100%	357	100%	0	0%	0	0%
<b>Total</b>	<b>516</b>	<b>516</b>	<b>100%</b>	<b>516</b>	<b>100%</b>	<b>357</b>	<b>69.19%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent workers</b>											
Male	50	50	100%	50	100%	0	0%	0	0	0	0%
Female	95	95	100%	95	100%	95	100%	0	0	0	0%
<b>Total</b>	<b>145</b>	<b>145</b>	<b>100%</b>	<b>145</b>	<b>100%</b>	<b>95</b>	<b>65.52%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note: The above coverage also includes ECHS cover.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.09%	0.08%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			PY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	58%	100%	Y	58%	100%	Y
Gratuity	100%	100%	N	100%	100%	N
ESI	24%	100%	Y	27%	100%	Y
Others	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

At present the company does not have any differently abled employees and workers employed in the company. However, the company is taking appropriate steps to make the workplace freely accessible to differently abled employees, workers or visitors.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

The company has a well-defined equal opportunity policy as per the rights of person with Disability. The company promotes a work environment free from discrimination and harassment.

Policy Link: <https://ikio.in/corporate-governance>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employee		Permanent Worker	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Other	-	-	-	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

If yes, give details of the mechanism in brief.

Permanent Workers

Other than Permanent Workers

Permanent Employees

Other than Permanent Employees

The company has a well-defined Disciplinary practice and grievance policy in place. The policy covers every category of employees whether permanent or temporary and at all levels. The employees can approach the designated authority as per the policy for resolution. <https://ikio.in/corporate-governance>





## 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B /A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association (s) or Union (D)	% (D/C)
Total Permanent Employees	88	0	NIL	85	0	NIL
Male	73	0	NIL	72	0	NIL
Female	15	0	NIL	13	0	NIL
Other	0	0	NIL	0	0	NIL
Total Permanent Workers	516	0	NIL	532	0	NIL
Male	159	0	NIL	169	0	NIL
Female	357	0	NIL	363	0	NIL
Other	0	0	NIL	0	0	NIL

## 8. Details of training given to employees and workers

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		(B)	(B/A)	(C)	(C/A)		(E)	(E/D)	(F)	(F/D)
<b>Employees</b>										
Male	93	93	100%	93	100%	72	72	100%	72	100%
Female	15	15	100%	15	100%	13	13	100%	13	100%
<b>Total</b>	<b>108</b>	<b>108</b>	<b>100%</b>	<b>108</b>	<b>100%</b>	<b>85</b>	<b>85</b>	<b>100%</b>	<b>85</b>	<b>100%</b>
<b>Workers</b>										
Male	209	209	100%	209	100%	182	182	100%	182	100%
Female	452	452	100%	452	100%	402	402	100%	402	100%
<b>Total</b>	<b>661</b>	<b>661</b>	<b>100%</b>	<b>661</b>	<b>100%</b>	<b>584</b>	<b>584</b>	<b>100%</b>	<b>584</b>	<b>100%</b>

Note : Including both permanent and other than permanent.

## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	93	73	78.49%	72	72	100.00%
Female	15	13	86.67%	13	13	100.00%
<b>Total</b>	<b>108</b>	<b>86</b>	<b>79.63%</b>	<b>85</b>	<b>85</b>	<b>100.00%</b>
<b>Workers</b>						
Male	209	159	76.07%	182	169	92.86%
Female	452	357	78.98%	402	363	90.30%
<b>Total</b>	<b>661</b>	<b>516</b>	<b>78.06%</b>	<b>584</b>	<b>532</b>	<b>91.10%</b>

Note : Including both permanent and other than permanent.

## 10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/No)**. If yes, the coverage such system?

The company is committed towards health and safety of all its employees, visitors etc. It believes that everyone has the right to a safe working environment. It complies to the international standards such as OHS management systems ISO 45001 at all its facilities and workplace. In addition, the company has a well-defined Occupational Health and Safety policy highlighting the company's commitment to Zero Injury in the workplace.

- b. What are the processes used to identify work-related hazards and assess risks on routine and non-routine basis by the entity?

**Workplace Inspections:**

- Regular inspections are conducted to identify potential hazards in the manufacturing environment.
- Checklists are used to ensure all areas, equipment, and processes are reviewed.
- Safety officers or designated personnel perform these inspections on a scheduled basis.

**Job Safety Analysis (JSA):**

- Each job role and associated tasks are analyzed to identify potential hazards.
- Steps involved in each task are broken down, and risks are assessed at each step.
- Control measures are implemented to mitigate identified risks.

**Hazard Reporting System:**

- Employees are encouraged to report hazards or unsafe conditions using a formal reporting system.
- Reports are reviewed and investigated promptly by safety personnel.
- Corrective actions are taken to address reported hazards.

**Training and Education:**

- Regular safety training sessions are conducted for all employees.
- Training includes hazard recognition, safe work practices, and emergency response procedures.
- Employees are updated on new hazards and safety protocols as needed.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)**

Yes

**11. Details of safety related incidents, in the following format**

Safety Incident/Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Yes. The company has a Health and Safety policy implemented and accordingly H&S committee on routine basis assess the related risk and ensure a safe and healthy workplace.



### 13. Number of Complaints on the following made by employees and workers

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

### 14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No non-compliance has been reported in the audit conducted during the year.

## PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

### Essential Indicators

#### 1. Describe the processes for identifying key stakeholder groups of the entity

Key stakeholder groups include all the groups of people affected by the company and have an interest in company and its various operations. We make sure to include vendors, suppliers and local community in our stakeholder groups to ensure transparency, accountability and inclusivity in our processes.

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Website, E-mail and one to one/ group meet	As and when required	<ul style="list-style-type: none"> <li>Product offering</li> </ul>
Employees	No	Website, E-mail, Training Sessions, Performance review meet, Employee surveys and periodical work meet	On-going basis	<ul style="list-style-type: none"> <li>HR Policies</li> <li>Performance concerns</li> <li>Training on statutory matters and production related aspects.</li> </ul>
Statutory Bodies	No	Ongoing Meetings and Dialogues	On-going basis	<ul style="list-style-type: none"> <li>Regulatory Compliances</li> <li>Transparency in Disclosures Corporate Governance Practices</li> </ul>
Investors	No	Investor Call, Analysts Meet, Newspaper,	Investors/ Analysts Meet, - As and when required	<ul style="list-style-type: none"> <li>Financial Progress of the company.</li> <li>Future growth plans.</li> <li>Key initiative taken.</li> </ul>
Community	No	Website	General Meeting - Annual Newspaper – Quarterly As and when required	<ul style="list-style-type: none"> <li>Communication regarding Sustainable growth</li> <li>Addressing grievances and concerns</li> <li>Providing assurance and solutions</li> </ul>
Suppliers and Vendors	No	Website, E-mail and one to one/ group meet	As and when required	<ul style="list-style-type: none"> <li>Communication regarding Sustainable use of natural resources</li> <li>Addressing grievances and concerns</li> <li>Providing assurance and solutions</li> <li>Infrastructural Support</li> </ul>

## PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees workers covered (B)	% (B / A)	Total (C)	No. of employees workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	88	34	38.64%	85	30	35.29%
Other Than permanent	20	9	45.00%	1	1	100.00%
Total Employees	108	43	39.81%	86	31	36.05%
<b>Workers</b>						
Permanent	516	205	39.73%	532	190	35.71%
Other Than permanent	145	60	41.38%	52	18	34.62%
Total Workers	661	265	40.09%	584	208	35.62%

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% B/A	No. (C)	% (C/A)		No. (E)	% E/D	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	88	0	NA	88	100.00%	85	2	2.35%	83	97.65%
Male	73	0	NA	73	100.00%	72	2	2.78%	70	97.22%
Female	15	0	NA	15	100.00%	13	0	0.00%	13	100.00%
Other than Permanent	20	0	NA	20	100.00%	1	1	100.00%	0	NA
Male	20	0	NA	20	100.00%	1	1	100.00%	0	NA
Female	0	0	NA	0	NA	0	0	NA	0	NA
<b>Workers</b>										
Permanent	516	438	84.88%	78	15.12%	532	471	88.53%	61	11.47%
Male	159	90	56.60%	69	43.40%	169	119	69.88%	50	30.12%
Female	357	348	97.48%	9	2.52%	363	352	96.99%	11	3.01%
Other than Permanent	145	144	99.31%	1	0.69%	52	51	98.08%	1	1.92%
Male	50	49	98.00%	1	2.00%	13	12	92.31%	1	7.69%
Female	95	95	100.00%	0	0	39	39	100.00%	0	0.00%

3. Details of remuneration/salary/wages

- a. Median remuneration / wages:

(In Rupees)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)	2	1,03,14,000	1	79,20,000
Key Managerial Personnel	2	30,48,450	0	0
Employees other than BoD and KMP	89	4,33,200	14	4,56,306
Workers	209	1,38,300	452	1,38,300



**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	37.31%	37.68%

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, we have designated the Human Resources (HR) and Industrial Relations (IR) team at each of our locations as the focal point responsible for addressing human rights impacts or issues. This team is tasked with identifying, assessing, and managing any human rights concerns that arise during the course of the operations of the company. They ensure that all such situations are handled promptly and effectively, adhering to our company's commitment to uphold human rights standards.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The company has the dedicated policy on Human Rights and any employee, worker bring their concerns to the notice of the concerned as per the policy and the concern redressal of the grievance will be provided to the complainant.

**6. Number of Complaints on the following made by employees and workers**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human Rights related issues	NA	NA	-	NA	NA	-

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The company addresses all the grievances brought to its notice through a proper mechanism as per the Disciplinary Practices & Grievances Policy available on the website of the company. <https://ikio.in/corporate-governance>

**9. Do human rights requirements form part of your business agreements and contracts?**

Yes, Safeguarding the human rights of the people is of utmost importance to the company.

**10. Assessments for the year**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	100%
Wages	
Others	



11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above

No risk has been identified during the assessment under any of the mentioned categories. As a result, no corrective actions were required to be taken.

## PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

### Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
<b>From renewable sources</b>		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>0</b>	<b>0</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D) (MJ)	8268372	7206667.20
Total fuel consumption (E) (MJ)	704.03	702.71
Energy consumption through other sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F) (MJ)</b>	<b>8269076.03</b>	<b>7207369.91</b>
<b>Total energy consumed (A+B+C+D+E+F) (MJ)</b>	<b>8269076.03</b>	<b>7207369.91</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations) MJ/Rupees	0.0034	0.0030
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP) MJ/Rupees	0.079	0.069
<b>Energy intensity in terms of physical output</b> Energy intensity (optional) – the relevant metric may be selected by the entity		

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

Note 1: The energy consumption reported in the table above includes data pertaining to Owned manufacturing sites.

Note 2: For “intensity per rupee of turnover”, total revenue from operations has been considered as turnover as per the Audits Standalone Financial Statements.

Note 3: The Purchasing Power Parity (PPP) factor considered is 22.88 as recommended by OECD (Organization for Economic Co-operation and Development)

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

NO, The company has not identified any site / facility as designated consumers under the Performance, Achieve and Trade (PAT) Scheme.



### 3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	1255.19	1155.18
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	1255.19	1155.18
<b>Total volume of water consumption (in kilolitres)</b>	1255.19	1155.18
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations) Kilolitres/ Rupees	0.0000005209	0.0000004786
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP) Kiloliters/Rupees	0.000011918	0.00001095
<b>Water intensity in terms of physical output</b>		
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **NO**

### 4. Provide the following details related to water discharged:

Not Applicable , As there is no discharge in the water during the manufacturing process.

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The company is into electronic manufacturing process in which there is no liquid discharge.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
NOx	Micro gram/m <sup>3</sup>	74.40	74.40
Sox	Micro gram/m <sup>3</sup>	70.80	70.80
Particulate matter (PM)	Micro gram/m <sup>3</sup>	95.90	95.90
Persistent organic pollutants (POP)		NIL	NIL
Volatile organic compounds (VOC)		NIL	NIL
Hazardous air pollutants (HAP)		NIL	NIL
Others-please specify		NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **NO assessment has been carried out.**

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	NIL	NIL
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	NIL	NIL
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		NIL	NIL
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)</b>		NIL	NIL
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>			
<b>Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity</b>			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The overall manufacturing process of the company is such that practically there is no gas emission. Nevertheless, the company is committed towards its responsibility in continuously reducing any gas emission that happen. Focus on plantation in and around the manufacturing facility for cleaner environment is always on forefront.



9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	21.77	14.51
E-waste (B)	0.08	0.08
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0.08	0.08
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>21.93</b>	<b>14.67</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated /revenue from operation) Metric Tonnes / Rupees	0.0000000091	0.0000000061
<b>Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP)</b> (Total Revenue waste from generated / operations adjusted for PPP) Metric Tonnes /Rupees	0.00000021	0.000000139
<b>Waste intensity in terms of physical output</b> <b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity		
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	21.77	14.51
(ii) Re-used	NIL	NIL
(iii) Other recovery operations	NIL	NIL
<b>Total</b>	<b>21.77</b>	<b>14.51</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	NIL	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The company adheres to safe disposal of all kinds of waste generated in the production process and overall operations. The E-waste, plastic waste that is generated during the production process is properly disposed of through government approved recyclers.

Ours is a electronic manufacturing unit there is practically no use of hazardous and toxic chemicals in the production process.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

None of the office / manufacturing unit of the company is in/around any ecologically sensitive area where approvals or clearances are required.

S. No.	Location of operations/offices	Type of operations	Whether the conditions the reasons thereof and corrective action taken, if any, of environmental approval / clearance are being complied with? (Y/N) If no
NOT APPLICABLE			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

During FY 2023-24, the company has not undertaken any such projects which require environmental impact assessment.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NOT APPLICABLE					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, The company is compliant with all the laws, norms as applicable under the concerned pollution control boards.

S. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Company has not received any complaints, nor any fine has been levied during the FY 2023-24				

## PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.  
NIL. The company is not affiliated with any trade and industry chambers/ associations.
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/International)
1	NIL	NIL
2	NIL	NIL
3	NIL	NIL
4	NIL	NIL
5	NIL	NIL

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective action taken
Not Applicable. Company does not engage in any anti-competitive activities during its working.		





## PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
NOT APPLICABLE					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NOT APPLICABLE					

3. Describe the mechanisms to receive and redress grievances of the community.

The company connects with the community through its website. As the company is working under the B2B model it is not selling its products directly to end customers. Even if the community has any grievance it can reach through emails or call at the number provided on the website of the company.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers (INR in Crores)	43.51%	36.73%
Sourced directly from within the district and neighbouring districts (INR in Crores)	4.59%	4.55%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	10.10%	12.72%
Semi-urban	0.00%	0.00%
Urban	15.22%	7.64%
Metropolitan	1.53%	0.23%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

## PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER.

### Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.  
The company does not directly interact with the end customers as it works on B2B model.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

As a percentage to total turnover	
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	
Recycling and/or safe disposal	

- Number of consumer complaints in respect of the following

	FY 2023-24			Remark	FY 2022-23		
	Received during the year	Pending resolution at end of year			Received during the year	Pending resolution at end of year	Remark
Data privacy	NIL	NIL	NA	NIL	NIL	NA	
Advertising	NIL	NIL	NA	NIL	NIL	NA	
Cyber-security	NIL	NIL	NA	NIL	NIL	NA	
Delivery of essential services	NIL	NIL	NA	NIL	NIL	NA	
Restrictive Trade Practices	NIL	NIL	NA	NIL	NIL	NA	
Unfair Trade Practices	NIL	NIL	NA	NIL	NIL	NA	
Other (Legal)	NIL	NIL	NA	NIL	NIL	NA	

- Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy.

Yes. The Company has a well-defined policy on Cyber security and the same is available on the website of the company. <https://ikio.in/corporate-governance>

- Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

- Provide the following information relating to data breaches:

- Number of instances of data breaches along-with impact- NIL
- Percentage of data breaches involving personally identifiable information of customers- NIL



# Management Discussion and Analysis

## ECONOMY OVERVIEW

### Indian Economy

In a context of global stability, India's economy achieved a remarkable 7.6% growth rate in FY 2024, surpassing the performance of both developed and emerging markets. Several high-frequency indicators highlight this resilience. For example, GST collections reached ₹1.8 Lakh Crore by March 31, 2024, reflecting a significant 11.5% increase from the previous year. Investments in physical and digital infrastructure have positioned India to achieve sustainable growth without triggering inflation. Furthermore, India's GDP growth has become more robust, showing increased macroeconomic stability and a reduced sensitivity to shocks that previously had a more substantial impact.

### Outlook

According to projections from the Reserve Bank of India, the nation is on track to achieve a GDP growth rate exceeding 7% in 2024, driven by robust domestic factors. Key contributors to this growth include strong domestic consumption, a transition to renewable energy, improved trade policies, substantial infrastructure investments, and ongoing digitalisation efforts. With strategic reforms in progress, India is set for sustained economic progress. Additionally, the population growth rate has decelerated from 2.1% in the 1990s to nearly 1% today, resulting in higher per capita income from GDP growth. The National Council of Applied Economic Research (NCAER) indicates that India is unlikely to encounter significant unexpected economic challenges at this juncture.

## ABOUT US

We are a premier Indian Original Design Manufacturer (ODM) excelling in the creation, development, and production of products, with a focus on LED lighting, marketed under various customer brands. IKIO's journey from being a product manufacturer to one of India's leading manufacturers of high-end lighting solution and lighting and electronics, has been nothing short of exemplary. Our in-house research and development team creates continuous innovation and advancement through comprehensive process and product enhancements.

~25 Years

Of relevant experience

~1,000

SKUs

5 Integrated Facilities

Spread over 5,00,000 sq. ft

31

In-house R&D and product design team

### Our Products

#### LED Lighting Solutions

- ◆ High-end home decorative LED lights
- ◆ Indoor and Outdoor lights
- ◆ LED lights for RVs

#### Product Display Lighting

Interior LED lights for product display including Commercial Refrigeration (CR)

#### Energy Solutions & Others

- ◆ Solar Panels for RVs
- ◆ ABS Pipes for RVs
- ◆ IPS Stabilisers for CR
- ◆ Rotary Switches
- ◆ Fan Regulators & Assembly
- ◆ Lithium Battery
- ◆ USB Chargers

## INDUSTRY OVERVIEW

### Electronic Manufacturing Services (EMS)

Electronics Manufacturing Services (EMS) encompass companies that offer design, manufacturing, testing, distribution, and repair services for electronic components and assemblies for original equipment manufacturers (OEMs). The increasing demand for EMS is driven by the growing use of electronic products across diverse industries such as healthcare, automotive, and industrial sectors. The rise of new technologies like virtual reality, the Internet of Things (IoT), and 3D printing is encouraging organisations to expand their production capacities.

To achieve this, companies are partnering with a diverse range of market participants, including OEMs, original design manufacturers (ODMs), and others. Key regions leading the EMS market include North America (United States, Canada, and Mexico), Europe, Asia Pacific (India, China, and Japan), the Middle East and Africa, and South America.

## Overview of the Global EMS Industry

The global EMS industry was valued at \$548.18 billion in 2023 and this market is projected to grow from USD 580.52 billion in 2024 to USD 730.14 billion by 2028, reflecting a CAGR of 5.90% over the forecast period.

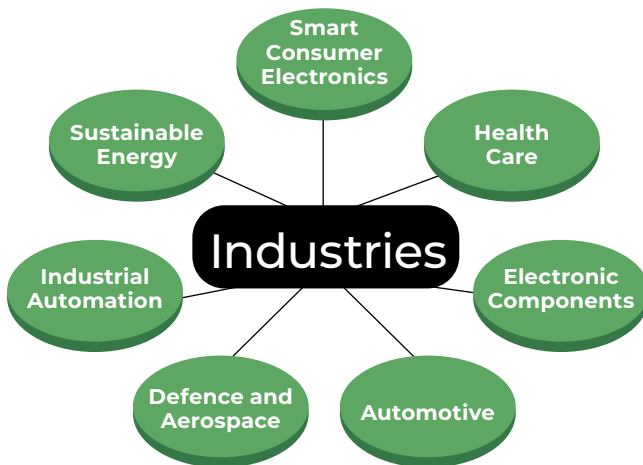
# ₹548.18 billion

EMS global market value in 2023

The EMS market primarily focuses on optimising various economic aspects, including manufacturing, raw material procurement, and resource consolidation. It also leverages industrial design expertise and provides value-added services like warranty and repairs. Additionally, EMS companies have started offering design services, assisting with conceptual product development and providing mechanical, electrical, and software design support. Available globally, EMS offers a multitude of advantages to businesses.

Amidst fierce competition, the evident trend of global recovery maintains investor confidence in this sector. As a result, the field is anticipated to attract continued and increased investment in the coming years.

A wide range of industries are engaging EMS specialists to address their diverse manufacturing needs.



## Trends of the EMS Industry

The increasing demand for electronics is driving significant advancements within the industry. The surge in demand for electronics manufacturing is challenged by unpredictable supply chains. To address these issues, the adoption of advanced digital tools and innovative strategies is crucial. Here are the key trends shaping the future of the industry:

### The rise of smart devices

In 2023, the rise of 'smart' devices has made them indispensable.

### The increase in use of AR and VR

Virtual Reality (VR) and Augmented Reality (AR) have emerged as transformative technologies in the electronics manufacturing services industry.

### The push for eco-friendly electronics

Companies are under immense pressure to prioritise eco-friendliness in electronics manufacturing as global awareness of environmental issues grows, and consumers increasingly demand sustainable practices from manufacturers.

### Staying a step ahead with predictive maintenance

In electronic manufacturing services, equipment breakdowns are inevitable challenges. Predictive maintenance leverages data from condition-monitoring sensors to determine optimal servicing times, aiding businesses in minimising disruptions and maximising operational efficiency.

### The big data revolution in electronics manufacturing

Big data is no longer exclusive to enterprise companies; even middle and small businesses can now leverage it. Previously considered expensive, advancements like IoT have made big data accessible to SMEs, enabling them to harness its benefits for their operations.

### The revolution of robotics in EMS industry

Electronics manufacturing is now at the forefront of industrial robot adoption, surpassing the automotive sector. Robots play a crucial role in enhancing efficiency, enabling manufacturers to produce microdevices and localise production.

### Embedded systems at the heart of modern EMS

The design and manufacturing sectors are evolving rapidly, aiming to enhance performance, bolster security, and ensure seamless connectivity.

### Evolution of miniaturised electronics

Miniaturisation has unlocked opportunities for electronics to revolutionise sectors such as healthcare and automotive. It is not merely about size reduction; it is about packing more features into every minuscule chip.



## CHALLENGES

While the electronics manufacturing services market holds promising future prospects, it also faces its fair share of challenges.

### Decreased operating margins

Rising global competition and the adoption of advanced technologies have led to a decrease in the cost of electronic goods. However, ongoing pressure from OEMs to reduce costs has impacted the profit margins of EMS suppliers in certain industry sectors. To remain successful, manufacturers must prioritise increasing production efficiency.

### Globally complex supply chain

EMS firms face the challenge of balancing internal and external resources while meeting international standards. The operational load is compounded by traceability and compliance issues, as components and subassemblies often traverse multiple countries before reaching end users.

### Management of Supplier Quality

Leveraging global supply chain management is a prevailing trend in the electronics industry. Hence, identifying the right suppliers is crucial for success.

### Product with quicker lifecycles

Short product life cycles stem from rapidly changing consumer preferences in the electronics industry. To boost sales and seize market share, electronics producers must demonstrate adaptability and responsiveness to market trends.

### Market ambiguity

Manufacturers face considerable challenges due to the overall unpredictability of the market, compounded by the cyclical nature of consumer demand and the volatility of the economy.

### Adoption of new laws and standards

Manufacturers must ensure compliance with new laws and regulations, necessitating modifications to their products accordingly.

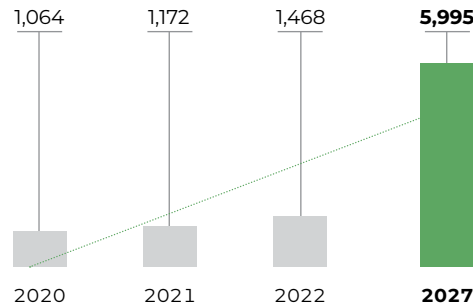
## INDIAN EMS INDUSTRY

India is rapidly establishing itself as a manufacturing and exporting powerhouse, driven by favourable government policies such as Production Linked Incentive (PLI) and Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECES), cost competitiveness, robust infrastructure, and a skilled labour force. The "China+1" strategy is also accelerating India's manufacturing landscape. In the global EMS industry, India's share is expected to rise from approximately 2% in FY 21 to around 7% by FY 27.

India has emerged as one of the largest consumers of electronic products, particularly in the Asia-Pacific region. Over the past decade, demand has surged due to a growing middle-class population, increasing disposable incomes, and declining electronics prices in the country.

## Electronics Manufacturing Services (EMS) market: Indian Scenario

### EMS Market in India, 2020-2029 (INR Bn)



The Government of India has implemented numerous initiatives to create the comprehensive development of the Electronics System Design and Manufacturing (ESDM) sector within the country. These efforts include the development of core components such as chipsets and the establishment of an enabling environment to facilitate global competitiveness in the EMS industry.

In India, the electronics sector is poised to play a pivotal role in the government's objective of generating USD 1 trillion in economic value from the country's digital economy by 2025.

## OVERVIEW OF INDIAN ELECTRONICS INDUSTRY

India's electronics manufacturing sector is poised for a 15% growth, reaching a value of USD 115 billion by 2024. Industry focus is shifting towards higher value addition in components and product development. Mobile phone production, a key segment, is expected to surpass USD 50 billion by March 2024, up from around USD 42 billion in the previous fiscal year.

**\$ 1 Tn**

Digital economy by FY 26

**2<sup>nd</sup> Largest**

Mobile manufacturer and internet users in the world

India's electronics industry is poised for substantial growth in the coming years, fuelled by several pivotal factors. These include:



- ◆ **Low Penetration Levels:** Despite significant advancements, the penetration of electronics remains relatively low in India, leaving ample room for growth and expansion.
- ◆ **Rising Disposable Incomes:** With the steady rise in disposable incomes across the country, consumer spending on electronics is expected to increase, further driving market growth.
- ◆ **Improving Power Availability:** Improvements in power infrastructure and availability are crucial for the sustained growth of the electronics industry, enabling seamless operations and expansion.
- ◆ **Increased Localisation:** A shift towards localisation in manufacturing processes and supply chains is bolstering the domestic electronics industry, reducing dependency on imports and enhancing self-sufficiency.
- ◆ **Government Policy Initiatives:** Government initiatives such as M-SIPS (Modified Special Incentive Package Scheme), PLI (Production Linked Incentive), PMP (Phased Manufacturing Programme), and SPECS (Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors) are providing significant impetus to the electronics sector, fostering growth, innovation, and competitiveness.

The contribution of domestic electronics production to India's GDP is projected to witness a substantial increase, reaching 5.3% by FY 27 from 2.8% in FY 21. This upward trajectory underscores the sector's growing significance to the overall economy, positioning it as a key driver of India's economic development and industrial progress.

## GROWTH DRIVERS

### Huge EMS potential in India

- ◆ India's EMS industry is relatively youthful, boasting nearly three decades of experience.
- ◆ The Indian market's potential is fuelled by anticipated geographical diversification by global OEMs, reducing dependence on other nations.
- ◆ The Indian EMS market encompasses a range of company tiers, including global EMS firms with Indian operations and large, mid-sized, and small Indian EMS companies.

### Production Linked Incentive Scheme 2.0

- ◆ Prime Minister Shri Narendra Modi has approved the introduction of the Production-Linked Incentive (PLI) Scheme 2.0 for IT hardware to boost manufacturing capabilities and enhance exports.
- ◆ The PLI scheme for IT hardware provides incentives for the production of laptops, tablets, all-in-one PCs, servers, and ultra-small form factor devices in India.

### Import discouragement and export promotion for EMS manufacturers

- ◆ In 2020, the Union Ministry of Defence formulated the Defence Production & Export Promotion Policy 2020 as a crucial guidance document to accelerate the government's commitment to 'Atmanirbhar Bharat'.
- ◆ This policy is expected to significantly boost exports in the coming years.
- ◆ Recently, the Government of India (GoI) imposed a ban on the import of laptops, tablets, all-in-one personal computers, ultra-small computers, and servers to promote domestic manufacturing of these products.

### Modified Electronic Clusters (EMC 2.0) Scheme

- ◆ In 2020, the Modified Electronics Manufacturing Clusters (EMC 2.0) Scheme was launched to attract major global electronics manufacturers and their supply chains to establish units in the country.
- ◆ The EMC 2.0 Scheme offers financial assistance for setting up both EMC projects and Common Facility Centres (CFCs) across the country.

### Indian Electronic System Design and Manufacturing (ESDM) sector

- ◆ Indian manufacturers are attracting the attention of multinational corporations due to shifting global landscapes in electronics design, manufacturing capabilities, and cost structures.
- ◆ The Electronics System Design & Manufacturing (ESDM) industry encompasses electronic hardware products and components related to information technology (IT), office automation, telecom, consumer electronics, aviation, aerospace, defence, solar photovoltaics, nano electronics, and medical electronics.
- ◆ The ESDM sector is crucial to the Indian government's goal of generating US\$1 trillion in economic value from the digital economy by 2025.

## THE LED MARKET OVERVIEW (INDIA & OVERSEAS)

The India LED Lighting Market is estimated to be valued at USD 4.70 billion in 2024, with projections indicating a growth to USD 6.77 billion by 2030. This growth trajectory reflects a CAGR of 6.29% during the forecast period from 2024 to 2030. This growth is driven by various factors, such as reduced manufacturing costs of LED lights, the gradual elimination of traditional lighting options like halogen, incandescent, fluorescent, and HID lamps, and the increased demand for LED lighting in hazardous



environments. Our report delves into historical data from 2018 to 2022, while also providing a comprehensive analysis of the current and projected market trends.

# 34.90%

Largest segment by automotive utility lighting in 2023 (value share headlights)

# 58.01%

Largest segment by indoor lighting in 2023 (value share industrial and warehouse)

# 74.79%

Largest segment by outdoor lighting in 2023 (value share streets and roadways)

## Growth driver - Reduction in manufacturing costs of LED lights

The production cost of LED lights has seen a consistent decrease over the past decade, and this trend is expected to continue. India is on track to become the largest market for LED lighting systems, primarily due to the government's UJALA initiative, which aims to replace inefficient bulbs with energy-efficient lamps. As a result of this initiative, there has been a substantial reduction in both manufacturing costs and the overall cost of LED lights.

## Indian LED market trends

Government schemes in India aimed at providing affordable residential housing are contributing to the increased adoption of LED lighting across the country.

- ◆ The growth of the housing sector is being propelled by factors such as the rise in nuclear families, urbanisation, and increasing per capita income.
- ◆ Domestic automotive brands are promoting economical passenger and commercial vehicles.
- ◆ Incentives like 100% loan approvals and tax incentives on interest payments are driving sales of electric vehicles (EVs), thus supporting the growth of LED lighting.
- ◆ The affordability of cars and the dominance of the two-wheeler segment are boosting the LED lighting market.
- ◆ Increasing Foreign Direct Investment (FDI) and emphasis on efficient lighting are encouraging the adoption of LEDs.

◆ Government initiatives such as UJALA are increasing LED penetration nationwide.

◆ Schemes like the Mission for Integrated Development of Horticulture (MIDH) promote greenhouse farming, further driving demand for LED lighting solutions.

## The global LED market scenario

In 2023, the LED lighting market reached a value of US\$ 65.28 Billion, with a projected Compound Annual Growth Rate (CAGR) of 10.12% during the forecast period from 2023 to 2030.

LED lighting is extensively utilised across residential and commercial sectors, outdoor environments, automotive lighting, and decorative installations. Available in various forms including traditional bulbs, tube lights, spotlights, and floodlights, LEDs offer versatility in applications.

This technology is poised to lead the global energy efficiency and rapid development market due to its exceptional attributes. LEDs consume 75% less power and boast a lifespan 25 times longer than incandescent bulbs, rendering them highly efficient and cost-effective.

The trend of replacing older lighting systems with LED alternatives is gaining momentum, especially in the outdoor lighting segment. LED technology surpasses conventional options like compact fluorescent lamps (CFLs) and cold cathode fluorescent lamps (CCFLs) owing to its advanced features.

Apart from being cost-effective, LEDs find applications in backlighting for large-screen and non-backlight displays (OLEDs). Although initial costs may be higher, the longer lifespan of LED lighting significantly reduces overall expenses compared to CFLs.

Growing consumer awareness regarding the extended lifespan of LED lamps drives adoption, particularly in products like LED lamps and ceiling lights. The global LED market is propelled by factors such as growth in display backlighting, declining LED lamp costs, extended lifespan, and high efficacy.

## FINANCIAL PERFORMANCE

The Company continued its focus on its operations and cost optimization through backward integration. The details of the financial performance of the company appear in the Balance Sheet, Profit & Loss Account, and other financial statements forming part of this Annual report. For financial highlights please refer to the heading 'Financial summary' of the Director's Report.

## KEY FINANCIAL RATIOS (STANDALONE AND CONSOLIDATED)

### Standalone

Ratios	Unit	FY 2024	FY 2023
Revenue from Ops	(INR Mn)	2,409.76	2,413.59
EBIDA (1)	(INR Mn)	287.01	389.4
EBITDA Margin (2)	(%)	11.91%	16.13%
Profit After Tax (3)	(INR Mn)	286.76	246.42
Debt to Equity (4)	(Times)	0.00	0.24
RoCE (5)	(%)	9.17%	30.76%
RoE (6)	(%)	5.98%	24.36%
Net Debt to EBITDA (7)	(Times)	0.02	0.6

### Consolidated

Ratios	Unit	FY 2024	FY 2023
Revenue from Ops	(INR Mn)	4,379.53	3,587.65
EBIDA (1)	(INR Mn)	927.21	774.81
EBITDA Margin (2)	(%)	21.17%	21.60%
Profit After Tax (3)	(INR Mn)	605.71	500.38
Debt to Equity (4)	(Times)	0.06	0.86
RoCE (5)	(%)	15.43%	28.32%
RoE (6)	(%)	10.96%	35.20%
Net Debt to EBITDA (7)	(Times)	0.29	1.55

## HUMAN RESOURCE AND INDUSTRIAL RELATIONS

The company believes that employees are pivotal to our success, possessing vast knowledge and innovative capabilities. We aim to create an environment where every employee can contribute to the company's performance, excel in their roles, and grow professionally. Our focus is on recruiting skilled talent, enhancing competencies through training and development, and recognising and rewarding leadership and performance.

Employees are encouraged to strive for excellence and maintain a customer-focused approach, with a goal of achieving high performance and accuracy consistently. The company offers challenging and fulfilling opportunities to maximise employee potential, ensuring they grow alongside the company.

Health, safety, and environmental concerns remain our top priorities. We conduct periodic audits, both internally and with external agencies, to identify gaps and implement continuous improvements, ensuring a safe workplace for all employees.

## INTERNAL CONTROL SYSTEM AND ADEQUACY

The company has robust internal controls to ensure transactions are authorised, recorded, and reported accurately, and to safeguard assets. These controls are supported by comprehensive policies and procedures and are regularly reviewed by the internal auditor, who reports to management and the audit committee. The company also promotes a work environment that encourages performance, customer focus, and innovation, while maintaining high standards of quality and integrity.

## CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis regarding the Company's objectives, projections, estimates, and expectations are forward-looking and subject to risks and uncertainties. Actual results may differ materially due to factors such as global and Indian demand-supply conditions, finished goods prices, changes in government regulations and policies, tax regimes, and economic conditions in India and other countries where the Company operates. The Company does not commit to updating these forward-looking statements.



# Corporate Governance Report

for the year ended March 31, 2024

[Pursuant to Regulation 34 read with Schedule V(C) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

## 1. COMPANY'S PHILOSOPHY

Corporate Governance refers to set of policies, principles, laws, regulations and procedures etc. The Company's philosophy on Corporate Governance is aimed at conducting business ethically, efficiently and in a transparent manner, fulfilling its corporate responsibilities to various stakeholders retaining and enhancing investor trust. One of the principal pillars of this philosophy is to have a diverse Board with experts from various fields/industries optimising the value addition. Over the years the Company has been disclosing information concerning the performance and future prospects of the company in its Board's Report. The Company is committed to comply with all statutory requirements in respect of Corporate Governance. The aim is to best align the interests of individual, company and society at large.

## 2. BOARD OF DIRECTORS

The Board of Directors (**'the Board'**) is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensures that shareholders' long-term interests are being served.

### (a) Composition and Category of Directors

The Company's Board comprises directors from diverse backgrounds and substantial experience, who are able to provide appropriate guidance to the executive management as required of Executive and Non-Executive Directors as

required under the Companies Act, 2013 ('the Act') and of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") requiring not less than half the Board to be Independent. The Directors on the Board are professionals, having expertise in their respective functional areas and bring an extensive range of skills and experience to the Board.

As on March 31, 2024, the Board consists of six directors. Out of the six directors, three directors are Executive Directors and three directors are Non-Executive Independent Directors.

Executive Directors of the Company – Mr. Hardeep Singh (CMD), Mrs Surmeet kaur (WTD), Mr. Sanjeet Singh (WTD) and Non-Executive Independent Directors of the Company – Mr. Chandra Shekhar Verma, Mr. Kishore Kumar Sansi, Mr. Rohit Singhal.

Mr. Hardeep Singh is the Chairman of the Board and he was the Chairman of all the Board Meetings held during the financial year 2023-24.

Based on the recommendation of Nomination and Remuneration Committee Members, the Board of Director of the Company has appointed Dr. Rachana Chowdhary as an additional Director in the capacity of Independent Woman Director in their Board Meeting held on May 24, 2024, who shall hold office upto the date of 8<sup>th</sup> Annual General Meeting to be held on August 20, 2024, her appointment for Independent Woman Director will be subject to the approval of shareholders for the period of 3 years by passing Special Resolution in the upcoming Annual General Meeting.

The composition and category of directors and also number of other directorships and committees' memberships/chairmanship held by them in other companies as on March 31, 2024 are given below:

S. No	Name of Director	Category of Directorship	No. of other Directorships (refer note no 1 & 2)	No. of Member ship of other Committees (refer note no 1 & 2)	Chairman ship of other Committee(s) (refer note no 1 & 2)	Directorship held in other Listed Companies along with nature of Directorship (refer note no 1 & 2)
1	Mr. Hardeep Singh	Managing Director & Executive, Director (Promoter)	-	-	-	-
2	Mrs. Surmeet Kaur	Executive & Whole Time Director	-	-	-	-

S. No	Name of Director	Category of Directorship	No. of other Directorships (refer note no 1 & 2)	No. of Member ship of other Committees (refer note no 1 & 2)	Chairman ship of other Committee(s) (refer note no 1 & 2)	Directorship held in other Listed Companies along with nature of Directorship (refer note no 1 & 2)
3	Mr. Sanjeet Singh	Executive & Whole Time Director	-	-	-	-
4	Mr. Rohit Singhal	Non-executive Independent Director	-	-	-	-
5	Mr. Kishore Kumar Sansi	Non-executive Independent Director	3	-	-	-
6	Mr. Chandra Shekhar Verma	Non-executive Independent Director	3	2	1	SML Isuzu Limited (Independent Director), Multi Commodity Exchange Limited (Independent Director),.

**Note:**

- In accordance with Regulation 26 (1) of SEBI Listing Regulations, memberships/chairpersonship of only Audit Committees and Stakeholders Relationship Committees of all Indian Public Limited Companies (excluding IKIO Lighting Limited) have been considered.
- Directorships held by directors in other companies do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

The number of directorships and the position held in Board Committees by the Directors as on March 31, 2024 are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Act and SEBI Listing Regulations. None of our Directors serves as Director in more than seven listed companies and none of the Executive Directors serve as an Independent Director in any listed company. Further, none of the directors of the Company is a member of more than ten committees of Board and chairperson of more than five committee across all listed entities in which he is a director.

Except Mr. Hardeep Singh, Mrs. Surmeet Kaur and Mr. Sanjeet Singh, none of the Directors and Key Managerial Personnel hold any share of the company. The Company has not issued any convertible instruments.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

**RELATIONSHIPS BETWEEN DIRECTORS INTER-SE**

The relationships between directors inter-se are as under

Name of Director	Inter-se-relationship
Mr. Hardeep Singh	Husband of Mrs. Surmeet Kaur & Father-in-law of Mr. Sanjeet Singh
Mrs. Surmeet Kaur	Wife of Mr. Hardeep Singh & Mother-in-law of Mr. Sanjeet Singh
Mr. Sanjeet Singh	Son-in-Law of Mr. Hardeep Singh and Mrs. Surmeet Kaur
Mr. Rohit Singhal	None
Mr. Kishore Kumar Sansi	None
Mr. Chandra Shekhar Verma	None
Dr. Rachana Chowdhary*	None

\*Based on the recommendation of Nomination and Remuneration Committee Members, the Board of Director of the Company has appointed Dr. Rachana Chowdhary as an additional Director in their Board Meeting held on May 24, 2024.





## (b) Board Meetings

The Board of Directors meets regularly to review strategic, operational and financial matters. The notice of the Board meeting is given well in advance to all the Directors. All the statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company. The Agenda for the Board and Committee Meetings cover items set out as per

the guidelines in SEBI Listing Regulations to the extent it is relevant and applicable.

During the Financial Year 2023-24, the Board met Seven (07) times i.e on May 12, 2023, May 29, 2023, June 10, 2023, June 24, 2023, August 4, 2023, November 4, 2023 and February 8, 2024. The maximum gap between any two consecutive Meetings did not exceed the number of days as stipulated in law in force.

Details of attendance of the directors at the Board Meetings held during the year 2023-24 and last Annual General Meeting are as under:

S. No	Name of Director	Category of Directorship	No. of Board Meetings Held During the FY 2023-24	No. of Board Meetings attended	Attendance at last AGM 14.09.2023
1	Mr. Hardeep Singh	Managing Director & Executive Director (Promoter)	7	7	Yes
2	Mrs. Surmeet Kaur	Whole-Time Director (Promoter)	7	7	Yes
3	Mr. Sanjeet Singh	Whole-Time Director	7	7	Yes
4	Mr. Rohit Singhal	Independent Director	7	7	Yes
5	Mr. Kishore Kumar Sansi	Independent Director	7	7	No*
6	Mr. Chandra Shekhar Verma	Independent Director	7	7	Yes

\*Due to some health issue, Mr. Kishore Kumar Sansi, Chairperson of Nomination and Remuneration Committee could not attend the Annual General Meeting of the company.

## (c) Independent Director

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. Pursuant to Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, (as amended), all the Independent Directors of the Company are registered in the Independent Directors' data bank as maintained by "Indian Institute of Corporate Affairs".

Pursuant to Regulation 25(7) of SEBI Listing Regulations, the Company has in place a system to familiarise the Independent Directors about the Company, their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company, amendment in statutory provisions, through various presentations during the Board Meetings. The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to be familiarised with the Company's procedures and practices. Senior management personnel of the Company make presentations to the Board Members on a periodically basis briefing them on the operations of the Company, plans, strategy, risks involved,

new initiatives etc. and seek their opinions and suggestions on the same. The policy and details of familiarisation programme for Independent Directors is available on the Company's website.

In terms of Regulation 25(8) of SEBI Listing Regulations, Independent Directors have submitted the declaration that they meet the criteria of independence as provided in Regulation 16 (1) (b) of SEBI Listing Regulations and they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of SEBI Listing Regulations and that they are independent of the management.

## (d) Separate meeting of Independent Directors:

In accordance with Regulation 25(3) of SEBI Listing Regulations read with the provisions of Schedule IV of the Act, a separate meeting of the Independent Directors was held on May 31, 2023 without the presence of Non-Independent directors, inter alia to:

- a) Review the performance of the Non-Independent Directors and the Board as a whole;
- b) Review of performance of Chairman of the Company/Board taking into account the views of executive directors and non-executive directors.
- c) Assess the quality, quantity and timeliness of flow of information between the company's management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Mr. Kishore Kumar Sansi was unanimously elected as Chairman of the meeting and all independent directors were present at the meeting. The Independent Directors also

discussed matters pertaining to the Company's affairs and functioning of the Board.

**(e) Matrix of skills/expertise/ competence of Directors**

The following core skills/ expertise/competencies have been identified by the Board as required in the context of its business and the sector in which the Company operates:

Leadership, Industry Expertise & Knowledge, Strategic Planning, Business Development & Administration, Plant Operations, Strategy & Risk Management, Technical Expertise, Finance & Accounting, Legal & Governance, Public Relations, Human Resource Management & Industrial Laws, Understanding of government legislation/ legislative process, Corporate Restructuring, Risk Management and Corporate Social Responsibility.

**The Company's Board comprises of qualified members, who possesses aforesaid knowledge, experience, skills, expertise and professional competencies for effective contribution to the Board and its Committees.**

Name of the Director	Skills/Expertise/Competencies
Mr. Hardeep Singh – Managing Director	Leadership, Industry Expertise & Knowledge, Strategic Planning, Business Development & Administration
Mrs. Surmeet Kaur – Whole Time Director	Public Relations, Corporate Social Responsibility and Human Resources Management
Mr. Sanjeet Singh – Whole Time Director	Over all operations of the Company, Industry Expertise & Knowledge, Strategic Planning, Business Development & Administration
Mr. Rohit Singhal – Independent Director	Finance & Accounting, Taxation & Industrial Laws, Expertise and Undertaking of government legislation/legislative process
Mr. Kishore Kumar Sansi – Independent Director	Strategy & Risk Management, Technical Expertise and Understanding of government legislation/legislative process
Mr. Chandra Shekhar Verma –Independent Director	Finance & Accounting, Taxation and Corporate Social Responsibility, Expertise and Understanding of government legislation/legislative
*Dr. Rachana Chowdhary – Additional Director (Independent Woman Director)	Public Relations, Industry Expertise & Knowledge

\*Based on the recommendation of Nomination and Remuneration Committee Members, the Board of Director of the Company has appointed Dr. Rachana Chowdhary as an additional Director in the capacity of Independent Director in their Board Meeting held on May 24, 2024, who shall hold office upto the date of 8<sup>th</sup> Annual General Meeting to be held on 20<sup>th</sup> August, 2024, her appointment for Independent Woman Director will be subject to approval of shareholders for the period of 3 years by passing Special Resolution in the upcoming Annual General Meeting.

**(f) Disclosure of Appointment/Re-appointment of Directors at the Annual General Meeting**

In accordance with the provisions of section 152(6) of the Act and the Articles of Association of the Company, Mrs. Surmeet Kaur a Whole Time Director of the company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Further on recommendation of Nomination and Remuneration Committee, Dr. Rachana

Chowdhary has been appointed in the Board Meeting held on May 24, 2024 as an Additional Director in the capacity of Independent Woman Director.

**3. AUDIT COMMITTEE**

The Audit Committee acts as a link between the Internal and Statutory Auditors and the Board of Directors. The Audit Committee provides the Board with additional assurance as to the adequacy of the Company's internal control systems and financial disclosures.



### (a) Terms of reference

The broad terms of reference of the Audit Committee are as per Section 177 of the Act and to review with the management and/or Internal Auditor and/or Statutory Auditor, inter alia, in the following areas:

1. Overseeing the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions; and
  - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Formulating a policy on related party transactions which shall include materiality of related party transactions;
9. Approval or any subsequent modification of transactions of the Company with related parties; All related party transactions shall be approved by only Independent Directors who are the members of the committee and the other members of the committee shall reuse themselves on the discussions related to related party transactions;
 

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
10. Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
11. Scrutiny of inter-corporate loans and investments;
12. Valuation of undertakings or assets of the Company, wherever it is necessary; Appointment of Registered Valuer under Section 247 of the Companies Act, 2013.
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up thereon;

17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  20. To review the functioning of the whistle blower mechanism;
  21. Approval of appointment of chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  22. Carrying out any other function as is mentioned in the terms of reference of the audit committee; and
  23. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
  24. To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
  25. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  26. Reviewing the utilisation of loans and/or advances from/investment by the Company in the subsidiaries exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
  27. The Audit Committee shall review compliance with the provisions of the SEBI Insider Trading Regulations, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;
  28. to consider the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company's shareholders and carrying out any other functions as provided under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws, and carrying out any other functions as may be required / mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.
- The Audit Committee mandatorily reviews the following information:-
1. Management discussion and analysis of financial condition and results of operations;
  2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  3. Internal audit reports relating to internal control weaknesses; and
  4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  5. Statement of significant Related Party Transaction (as defined by the Audit Committee), submitted by Management;
  6. Statement of deviations:
    - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations; and
    - b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.
  7. The financial statements, in particular, the investments made by any unlisted subsidiary; and
  8. Such information as may be prescribed under the Companies Act and SEBI Listing Regulations.
- (b) Composition, Meeting and Attendance**
- Audit Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act.



The members of the Audit Committee are financially literate and have expertise in accounting and financial management.

During the year under review, Four (4) meetings of Audit Committee were held on May 12, 2023, August 4, 2023, November 4, 2023 and February 8, 2024.

The Composition of the committee and attendance details of the members at these meetings for the year 2023-24 are given below:-

S. No.	Name of Member	Position in Committee	No. of Meetings Held during FY 2023-24	No. of Meetings Attended
1	Mr. Rohit Singhal (Independent Director)	Chairman	4	4
2	Mr. Kishore Kumar Sansi (Independent Director)	Member	4	4
5	Mr. Hardeep Singh (Managing Director)	Member	4	4

The Statutory Auditor, Internal Auditor and Chief Financial Officer also attend the meetings as invitees, whenever required to address concerns raised by the Committee members. The Company Secretary was in attendance at these meetings.

#### 4. NOMINATION & REMUNERATION COMMITTEE

Nomination & Remuneration Committee of the Board is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act.

##### (a) Terms of Reference-

The terms of reference / powers of the Nomination & Remuneration Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates;
3. Formulating criteria for evaluation of performance of independent directors and the Board;
4. Devising a policy on diversity of Board;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
6. Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. Recommending to the board, all remuneration, in whatever form, payable to senior management;

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

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.



8. Analysing, monitoring and reviewing various human resource and compensation matters, including the compensation strategy;
9. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors;
10. Recommending the remuneration, in whatever form, payable to non-executive directors and the senior management personnel and other staff (as deemed necessary);
11. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
12. Administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;
13. Framing suitable policies and systems to ensure that there is no violation as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:
  - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
  - b. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;
14. Carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification as may be applicable;
15. Performing such other functions as may be necessary or appropriate for the performance of its duties; and
16. Perform such functions as are required to be performed by the Compensation Committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
17. Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme") including the following:
  - i. Determining the eligibility of employees to participate under the ESOP Scheme;
  - ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
  - iii. Date of grant;
  - iv. Determining the exercise price of the option under the ESOP Scheme;
  - v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
  - vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
  - vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
  - viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
  - ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
  - x. The grant, vest and exercise of option in case of employees who are on long leave;
  - xi. Allow exercise of unvested options on such terms and conditions as it may deem fit;
  - xii. The procedure for cashless exercise of options;
  - xiii. Forfeiture/ cancellation of options granted;
  - xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
    - ◆ the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;



- ◆ for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

18. Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme") and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;]

The Board has adopted the Nomination & Remuneration Policy ("NRC Policy") for the functioning of the Committee. The NRC Policy of the Company applies to all future employment agreements with members of the Company's Senior Management including Key Managerial Personnel and Board of Directors. The policy is available on the website of the Company <https://www.ikio.in>.

#### (b) Composition, Meeting and Attendance

All the members of the Nomination and Remuneration Committee are Non-Executive Independent Directors. During the year under review, Meeting of Nomination & Remuneration Committee was held on March 29, 2024. All the members of the Committee attended the meeting.

The details of the Composition and attendance of each member at this meeting for the year 2023-24 are given below:-

S. No.	Name of the Member	Position in Committee	No. of Meetings Held during FY 2023-24	No. of Meetings Attended
1	Mr. Kishore Kumar Sansi (Independent Director)	Chairman	1	1
2	Mr. Chandra Shekhar Verma (Independent Director)	Member	1	1
3	Mr. Rohit Singhal (Independent Director)	Member	1	1

#### (c) Performance Evaluation

In terms of the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Nomination & Remuneration Committee has carried out the annual performance evaluation of the Board, the Directors individually as well as the evaluation of the working of Board Committees. The performance evaluation of the Board and its committees was conducted on the basis of various criteria such as composition, functions, responsibilities, effectiveness, structure, competencies, strategy, independence and contribution, risk identification and its control, diversity and nature of business. As required under SEBI Listing Regulations, the Company has formulated a policy on Appointment and Evaluation of Board of Directors, Key Managerial Personnel & Senior Management Personnel as defined under the Companies Act, 2013. This policy is available on the website of the Company <https://www.ikio.in>.

#### Criteria for performance evaluation of Independent Directors

The performance of Independent Directors is evaluated by the entire Board of Directors based on the following criteria and in the aforesaid evaluation, the directors who are subject to evaluation do not participate:

- i. Attendance and Participation in Board / Committee/General Meetings;
- ii. Understanding duties, responsibilities and liabilities as a director;
- iii. Ability to remain focused at a governance level in Board/Committee Meetings;
- iv. Adequate qualifications and relevant experience in the industry and business environment;
- v. Bringing relevant experience to the Board and uses it effectively;
- vi. Understanding the vision and mission of the Company, strategic plans and key issues;

- vii. Understanding and fulfilling the function as assigned by the Board/law;
- viii. Actively take initiative with respect to various areas;
- ix. Demonstrating highest level of integrity including conflict of interest disclosure, maintenance of confidentiality etc.;
- x. Rendering independent judgment and unbiased opinion in relation to decision making;
- xi. Timely inputs on the minutes of the board and Committees if any;
- xii. Director has effectively assisted the company in implementing best corporate governance practice and its monitoring;
- xiii. Adhere to the legal obligations, applicable code of conduct and policies;
- xiv. Director is effective and successful in managing relationships with board members and senior management;
- xv. Competency, as per the criteria identified by the Nomination and Remuneration Committee for the effective functioning of the Board/Committee;
- xvi. Understanding of governance, regulatory, financial, fiduciary and ethical requirements of the Board/Committees;
- xvii. Actively and successfully refreshes his/her knowledge and skills and up to date with the latest developments in areas such as corporate governance framework, financial reporting, industry and market conditions;
- xviii. Maintains a high standard of ethics and integrity;
- xix. Independence from the Company and other directors;
- xx. Adequately commitment to the Board and the Company.

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Act read with Regulation 20 of SEBI Listing Regulations, the Board has constituted Stakeholders' Relationship Committee to ensure timely and best services to the shareholders and to supervise the performance of the Registrar and Share Transfer Agent (RTA).

The terms of reference of the Stakeholders' Relationship Committee are in conformity with

the provisions of Schedule II Part D of SEBI Listing Regulations and Section 178 of the Act. The role of the Committee *inter- alia* includes the following:

1. Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., assisting with quarterly reporting of such complaints and formulating procedures in line with statutory guidelines to ensure speedy disposal of various requests received from shareholders;
2. Resolving the grievances of the security holders of the Company including complaints related to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
3. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
4. Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of our Company and to recommend measures for overall improvement in the quality of investor services;
5. Review of measures taken for effective exercise of voting rights by shareholders;
6. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent;
7. To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;
8. To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities;



9. To monitor and expedite the status and process of dematerialisation and rematerialisation of shares, debentures and other securities of the Company;
10. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
11. Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

During the year under review one Stakeholders' Relationship Committee meeting was held on dated March 29, 2024. The details of the Composition of the Stakeholders' Relationship Committee as on March 31, 2024 are given below:-

S. No.	Name of the Member	Position in Committee	No. of Meetings Held during FY 2023-24	No. of Meetings Attended
1	Mr. Chandra Shekhar Verma (Independent Director)	Chairman	1	1
2	Mrs. Surmeet Kaur (Whole-time Director)	Member	1	1
3	Mr. Sanjeet Singh (Whole-time Director)	Member	1	1

Mr. Sandeep Kumar Agarwal, Company Secretary is the Compliance Officer of the Company. Mr. N. Shyam, Senior Manager, is authorised person as Registrar & Share Transfer Agent (RTA) on behalf of M/s. KFIN Technologies Limited. An email ID exclusive for registering shareholders' complaints/ grievance has been formed as secretarial@ikiolighting.com

- ◆ Number of shareholders' complaints received during the FY 2023-24- 15
- ◆ Number of shareholders' complaints resolved - 15, As on March 31, 2024, no complaint was pending unresolved.

## 6. IPO COMMITTEE

The IPO Committee was constituted dated September 14, 2022. Committee comprises of three members. Mr. Hardeep Singh is the Chairman of the Committee, Mr. Rohit Singhal (Independent Director) and Mr. Sanjeet Singh are members of the IPO Committee.

During the year under review, Three (3) meetings of IPO Committee were held on May 1, 2023, June 5, 2023 and June 13, 2023.

The Composition of the committee and attendance details of the members at these meetings for the year 2023-24 are given below:-

S. No.	Name of the Member	Position in Committee	No. of Meetings Held during FY 2023-24	No. of Meetings Attended
1	Mr. Hardeep Singh (Chairman and Managing Director)	Chairman	3	3
2	Mr. Sanjeet Singh (Whole-time Director)	Member	3	3
3	Mr. Rohit Singhal (Independent Director)	Member	3	3

The IPO Committee was dissolved by Board of Directors after Initial Public Offer on the meeting held on June 24, 2023.

## 7. RISK MANAGEMENT COMMITTEE.

The Risk Management Committee has been constituted to identify the existing and prospective risks attached to the business of the Company; to monitor and review the Risk Management Plan of the Company; to suggest measures for mitigation of the Risks attached to the business of the Company; and to take any other action as may be directed by the Board of Directors in respect of the Risk Management. The committee shall also review and reassess the adequacy of this plan periodically and recommend proposed changes.

The Company has in place a Risk Management Policy including Risk Management and Risk Mitigation Procedures relating to various aspects of the operations of the company. The Policy is available on the website of the Company at <https://www.ikio.in>.

During the year no Risk Management Committee meeting was held. The details of the Composition of the Risk Management Committee as on March 31, 2024 are given below:-

Sl. No.	Name of Director	Position in the Committee
1	Mr. Hardeep Singh (Managing Director)	Chairman
2	Mr. Kishore Kumar Sansi (Independent Director)	Member
3	Mr. Sanjeet Singh (Whole-Time Director)	Member

The Term of reference of the Risk Management Committee include the following:

- A. To formulate a detailed risk management policy covering risk across functions and plan integration through training and awareness programmes which shall include:
  - ◆ framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly environmental, social and governance related risks), information, cyber security risks or any other risk as may be determined;
  - ◆ Measures for risk mitigation including systems and processes for internal control of identified risks; and
  - ◆ Business continuity plan.

- B. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- C. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- D. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- E. To approve the process for risk identification and mitigation;
- F. To decide on risk tolerance and appetite levels, recognising contingent risks, inherent and residual risks including for cyber security;
- G. To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;
- H. To approve major decisions affecting the risk profile or exposure and give appropriate directions;
- I. To consider the effectiveness of decision making process in crisis and emergency situations;
- J. To generally, assist the Board in the examination of its responsibility for the governance of risk;
- K. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
- L. The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.
- M. To implement and monitor policies and/or processes for ensuring cyber security;
- N. To review and recommend potential risk involved in any new business plans and processes;
- O. To review the Company's risk-reward performance to align with the Company's overall policy objectives;
- P. To monitor and review regular updates on business continuity;





- Q. The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- R. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees,
- as per the framework laid down by the board of directors;
- S. To advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
- T. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.”

## 8. SENIOR MANAGEMENT

Particulars of Senior Management including the changes therein during the Financial Year 2023-24:

S. No.	NAME OF EMPLOYEE	DESIGNATION	DEPARTMENT	CHANGE IF ANY
1	Mr. Subhash Chand Agrawal	Chief Financial Officer	Finance & Accounts	Resigned w.e.f July 01, 2024
2	Mr. Sandeep Kumar Agarwal	Company Secretary	Secretarial	
3	Mr. Manoj Chetal	Plant Head	Operations	Retired w.e.f May 01, 2024
4	Mr. K.G. Siju	Production Head	Production	
5	Mr. Parveen Kumar Saini	R&D Head	R&D	
6	Mr. Manoj Misra	Chief Information Officer	IT	
7	Mr. Shailesh Shrivastava	Vice President	International Operations	
8	Mr. Amit Sharma	Corporate Head	HR & Admin	
9	Mr. Manish Khandelwal	Deputy General Manager	Finance & Accounts	
10	Mr. Mahesh Kumar	Sr. Product Designer	Product	
11	Mr. Rahul Pasi	Extrusion- Head (Plastic Division)	Production	

## 9. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

The Board of Directors of the Company has a Corporate Social Responsibility Committee and the terms of reference are in conformity with the provisions of Section 135 read with Schedule VII of the Act and the Rules framed thereunder.

The terms of reference of the CSR Committee are:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- To review and recommend the amount of expenditure to be incurred on the activities referred to in (1) and amount to be incurred for such expenditure shall be as per the applicable law;
- To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- To review and monitor the Corporate Social Responsibility Policy of the company and its implementation from time to time, and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

7. To do such other acts, deeds and things as may be required to comply with the applicable laws; and;
8. To take note of the Compliances made by implementing agency (if any) appointed for the corporate social responsibility of the Company.

The CSR Policy is available on the Company's website <https://www.ikio.in>. The CSR Policy lays down areas of activities, thrust area, types of projects, programs, modes of undertaking projects/ programs etc.

### During the year, under review One (1) Corporate Social Responsibility Committee meeting was held on March 29, 2024.

The details of the Composition and attendance of each member at these meetings for the year 2023-24 are given below:-

S. No	Name of Member	Position in Committee	No of Meetings held during FY 2023-24	No of Meetings Attended
1	Mr. Hardeep Singh (Managing Director)	Chairman	1	1
2	Mrs. Surmeet Kaur (Whole-time Director)	Member	1	1
3	Mr. Chandra Shekhar Verma (Independent Director)	Member	1	1

## 10. DETAILS OF REMUNERATION/SITTING FEES PAID TO DIRECTORS DURING THE FINANCIAL YEAR 2023-24:

The terms of remuneration of Executive Directors are approved by the shareholders at their general meetings. Details of remuneration paid to the Directors of the Company for the financial year ended March 31, 2024 are given below:

### i. Executive Directors

Name	In Million Salary (₹)
Mr. Hardeep Singh (Managing Director)	18.72
Mrs. Surmeet Kaur (Whole-Time Directors)	7.92
Mr. Sanjeet Singh (Whole-Time Director)	1.91

### ii. Non-Executive Independent Directors

#### Criteria of making payment to Non-Executive Directors

Non-executive Directors are paid sitting fees for attending meetings of the Board and its committees, as recommended by Nomination & Remuneration Committee and fixed by the Board of the Company. Non-executive Directors do not draw any remuneration/commission

other than sitting fees. Details of sitting fee paid to the Non-Executive Directors of the Company for the financial year ended March 31, 2024 are given below

Name	Sitting fee paid (₹ In Million)
Mr. Rohit Singhal	0.58
Mr. Kishore Kumar Sansi	0.50
Mr. Chandra Shekhar Verma	0.45
<b>Total</b>	<b>1.53</b>

#### Notes:

1. The remuneration of executive/non-executive directors is approved by the Board of Directors and shareholders, in line the NRC Policy of the Company and relevant provisions of the Act.
2. There were no variable components and performance linked incentives.
3. There were no pecuniary relationships or transactions between Non-Executive Independent Directors and the Company during the financial year 2023-24 except payment of sitting fee for attending the Board/Committee Meeting(s).
4. During the year, the Company does not give any Employee Stock Option.



## 11. GENERAL BODY MEETINGS

### (a) The details of date, location and time of the last three AGMs and Special Resolution passed thereat:

Financial year	Date	Time	Venue	Special Resolutions Passed
2022-23	14.09.2023	11:00 AM	IKIO Lighting Limited 411 Arunachal Building, 19 Barakhamba Road, Connaught Place, New Delhi -110001	1. To Ratify the "ILL EMPLOYEES STOCK OPTION SCHEME, 2022"
2021-22	16.09.2022	11.00 AM	IKIO Lighting Private Limited 411 Arunachal Building, 19 Barakhamba Road, Connaught Place, New Delhi -110001	1. Adoption of new set of Articles of Association of the Company. 2. Issue of Initial Public Offering of Equity shares of the company. 3. Approval for Employee Stock Option Plan. 4. Change in place of keeping & Inspection of Registers, Returns Etc.
2020-21	30.11.2021	11.00 AM	IKIO Lighting Private Limited 411 Arunachal Building, 19 Barakhamba Road, Connaught Place, New Delhi -110001	None

**(b) Extra-Ordinary General Meeting:** No EGM was held during the year 2023-24.

**(c) Postal Ballot:** No Postal Ballot was conducted during the year under review. As on the date of this report, there is no immediate proposal for passing any resolution through postal ballot.

Current Year Outlook, Internal Control System and adequacy, Human Resources and Industrial Relations.

(f) All periodical compliances, filings and all other corporate communications are filed in accordance to SEBI Regulations.

## 12. MEANS OF COMMUNICATION

(a) Quarterly/ half yearly/ annual financial results are submitted to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") immediately after approval of the Board of Directors.

(b) In compliance with Regulation 46 of the SEBI Listing Regulations, a separate dedicated section under "Investor Section" on the Company's website at <https://ikio.in>. The Company's website contains the updated information pertaining to quarterly, half-yearly and annual financial results, annual reports, shareholding pattern, intimation of board meeting dates, press releases etc.

(c) Company displays official news releases on its website as required.

(d) Details of calls with Investors/Analysts along with presentation make to them, Audio recordings and its transcripts are hosted on the Stock Exchanges Websites ([www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)) and on the Company's website at <https://ikio.in>. under investor section.

(e) Management's Discussions and Analysis Report forms part of Board's Report of the Annual Accounts more specifically under Operations,

### Green Initiative in Corporate Governance

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, amongst others, to shareholders at their e-mail address previously registered with the DPS and RTAs.

## 13. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting will be held on Tuesday, August 20, 2024 at 11:00 AM through video conferencing / other audio visual means and deemed venue will be registered office of the Company 411, Arunachal Building, 19 Barakhamba Road, New Delhi - 110001.

(b) **Dates of Book Closure:** The Share Transfer Books and Register of Members of the Company shall remain closed from Wednesday, the August 14, 2024 to Tuesday, the August 20, 2024 (both days inclusive).

(c) Financial Calendar for the period 2024-25 Tentative schedule for considering financial results:

First Quarter Results (30.06.2024)	By 2 <sup>nd</sup> Week of August, 2024
Second Quarter Results (30.09.2024)	By 2 <sup>nd</sup> Week of November, 2024
Third Quarter Results (31.12.2024)	By 2 <sup>nd</sup> Week of February, 2025
Fourth Quarter Results (31.03.2025)	By 4 <sup>th</sup> Week of May , 2025

(d) **Dividend Payment Date**

The Company has declared the Final dividend of Re. 1 (One) per Share of ₹10/- each for the Financial Year 2023-24. Date of payment of dividend would be within 30 days from the date of AGM.

(e) **Listing of Equity Shares on Stock Exchange:**

The Company's shares got listed on the BSE Limited ("BSE") and National Stock Exchange ("NSE") of India Limited on June 16, 2023.

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.	Scrip Code - 543923
<b>National Stock Exchange of India Limited</b> Exchange Plaza, C – 1, Block G Bandra Kurla Complex, Bandra (E), Mumbai - 400051	Scrip Code - IKIO
<b>ISIN Number for NSDL &amp; CDSL</b>	INE0LOJ01019

The listing fees for the year 2024-25 have been paid to BSE and NSE within the stipulated time. Further, the Company has also paid Annual

Custody Fees for the financial year 2024-25 to both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time.

(f) **Details of Non-Compliance:** The Company has complied with the various requirements of the Stock Exchange, SEBI, Companies Act, 2013 and other statutory authorities on all matters related to Company during the year.

(g) **SEBI Complaints Redressal System (Scores) and SMART ODR:** SEBI has initiated SCORES for processing the investor complaints in a centralised web based redress system and online redressal of all the shareholders complaints, The Company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time. Also, the Company has registered itself on the SMART ODR platform as directed by SEBI vide its circular number SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023

During the FY 2023-24, total complaints received on the platform of SCORES were 10 (Ten) and all the complaints has been with in stipulated time.. Hence, no complaint stand pending on the SCORES Platform.

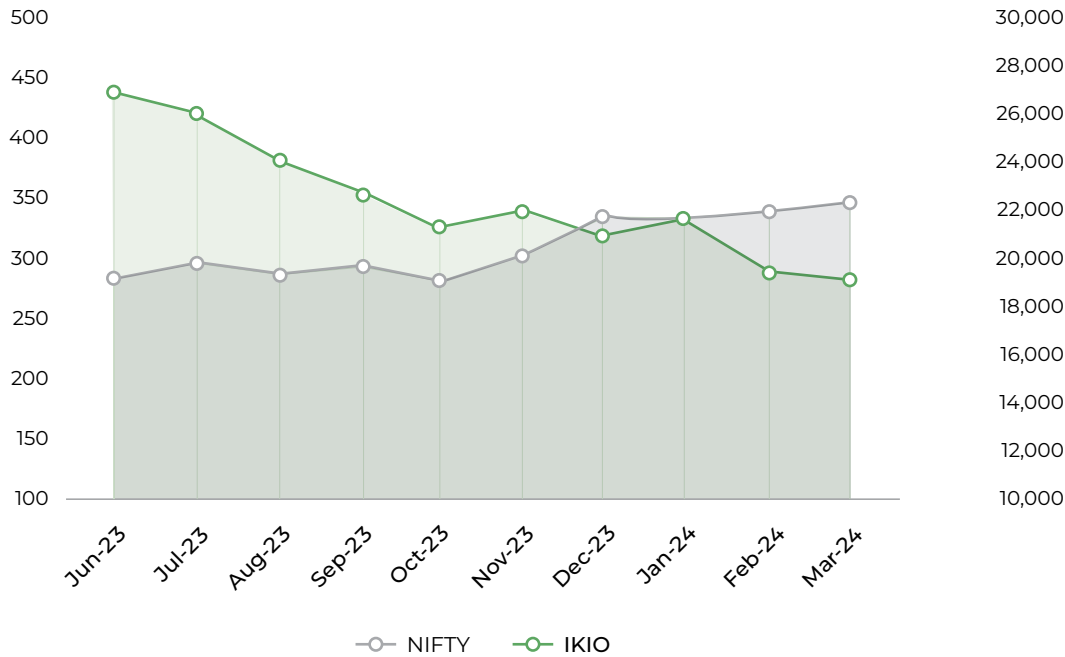
Further, No complaint was received during the FY 2023-24 on the platform of SMART ODR.

(h) **Market Price Data : High/Low during each month in last financial year 2023-24 at BSE & NSE are as under:**

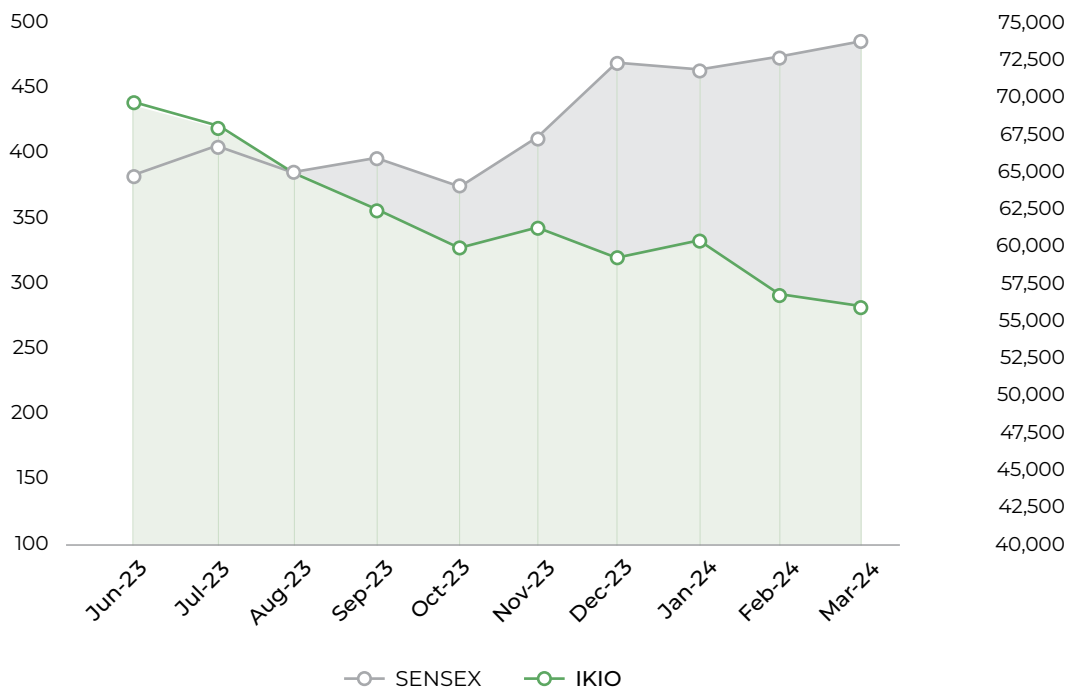
Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Jun-23	477.15	391.00	477.15	391.00
Jul-23	444.95	401.30	444.95	401.30
Aug-23	437.70	360.00	437.70	360.00
Sep-23	394.25	349.05	394.25	349.05
Oct-23	366.40	321.00	366.40	321.00
Nov-23	375.05	315.00	375.05	315.00
Dec-23	362.10	317.60	362.10	317.60
Jan-24	343.00	305.00	343.00	305.00
Feb-24	339.80	281.35	339.80	281.35
Mar-24	306.30	277.70	306.30	277.70



## NSE:



## BSE:



(i) **Registrar & Share Transfer Agent:** M/s. KFIN Technologies Limited, Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serili ngampally, Hyderabad Rangareddi Telangana 500032  
Tel: No. 040 - 67162222; Email ID: einward.ris@kfintech.com.

(j) **Share Transfer System:**

The Company's shares are compulsory traded in the Stock Exchanges in electronic mode. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, transfer of physical shares of listed companies are barred and securities can be transferred only in dematerialised form effective from April 1, 2019 except in case of transmission or transposition of securities. Further, SEBI vide its circular number SEBI/HO/MIRSD/\_RTAMB/P/CIR/2022/8 dated January 25, 2022 directed listed companies to issue securities in dematerialised form while processing the requests of transmission, transposition, issue of duplicate securities, renewal/exchange of securities, sub-divisions/splitting, consolidation of securities. However, shareholders are not barred from holding shares in physical form.



During the year, the Company had obtained a Certificate from a Company Secretary in practice as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and filed copy of the same with the Stock Exchanges. Also, pursuant to Regulation 7(3) of the SEBI Listing Regulations, compliance regarding maintenance of securities transfer facilities have also been submitted to stock exchanges within stipulated time.

Further, the Company complies with the Operational guidelines issued by the SEBI for transfer and Dematerialisation.

### Shareholding Pattern as on March 31, 2024

Category	Shares	Percentage
Promoters	5,59,99,662	72.462
Others	2,12,81,039	27.538
<b>Total</b>	<b>7,72,80,701</b>	<b>100.00</b>

#### (a) Category & Distribution of shareholding as on March 31, 2024

No. of Shares	No. of Shareholders	% of total shareholders	No. of Shares	% of total shares
1 - 5000	123943	99.84	14201782	18.38
5001 - 10000	131	0.11	932774	1.21
10001 - 20000	36	0.03	489485	0.63
20001 - 30000	8	0.01	190193	0.25
30001 - 40000	4	0.00	132412	0.17
40001 - 50000	4	0.00	184722	0.24
50001 - 100000	3	0.00	255224	0.33
100001 and above	7	0.01	60894109	78.80
<b>Total</b>	<b>124136</b>	<b>100.00</b>	<b>7,72,80,701</b>	<b>100.00</b>

### Category of Shareholders as at March 31, 2024

Category	Shares	Percentage
PROMOTERS	55999662	72.46
MUTUAL FUNDS	3788764	4.90
ALTERNATIVE INVESTMENT FUND	35000	0.05
FOREIGN PORTFOLIO - CORP	1187205	1.54
FOREIGN PORTFOLIO - CORP	14500	0.02
DIRECTORS	260	0.00
EMPLOYEES	78	0.00
RESIDENT INDIVIDUALS	14833986	19.19
NON RESIDENT INDIAN NON REPATRIABLE	112846	0.15
NON RESIDENT INDIANS	481253	0.62
BODIES CORPORATES	259906	0.34
H U F	565432	0.73
TRUSTS	1500	0.00
CLEARING MEMBERS	309	0.00
<b>Total</b>	<b>7,72,80,701</b>	<b>100.00</b>

### Shares held in physical and dematerialised form

Mode of Holding	% age
NSDL AS OF 31ST MARCH, 2024	66492899
CDSL AS OF 31ST MARCH, 2024	10787802
Physical	Not Applicable



(b) **Dematerialisation of Shares**

As on March 31, 2024, 100 % of the Company's total paid up equity shares representing 7,72,80,701 equity shares were held in dematerialised form.

(c) **Outstanding GDR/ADR/Warrants or any other convertible instrument, conversion date and their impact on equity-** Nil

(d) **Plant Location:**

Plot No. 102, Setor 7, IIE, Sidcul, Haridwar – 249403.

(e) **Registered Office, Corporate Office Address for correspondence:**

Shareholders' correspondence may be addressed at below address:

IKIO Lighting Limited Registered Office 411, Arunachal Building, 19 Barakhamba Road, New Delhi – 110001 Phone: 011- 43613807 E-mail : secretarial@ikiolighting.com	IKIO Lighting Limited Corporate Office D-234, Sector – 63, Noida - 201301 Phone: 0120-4116186 E-mail : secretarial@ikiolighting.com	Kfin Technologies Limited Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serili ngampally Hyderabad Rangareddi Telangana 500032 Phone: 040- 67162222 Email: einward.ris@kfintech.com.
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(f) **Management**

You may refer Director's Report for Credit ratings issued by ICRA during the FY 2023-24;

(a) **Management Discussion and Analysis-**

Management Discussion and Analysis Report forms separate part of the Annual Report.

(b) **Disclosure on Risk Management-**

The Company has further strengthened the Risk Management System in the Company. The Board of Directors periodically reviews the Risk Assessment and minimising procedure thereof.

(g) **Reconciliation of Share Capital**

The certificate of Reconciliation of Share Capital Audit confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL is placed before the Board on quarterly basis and also submitted to the Stock Exchanges.

(h) **Equity shares in the Suspense Account-** N.A.

(i) **Transfer of unpaid/unclaimed amounts to Investor Education an Protection Fund**

Since no dividend has been declared by the company from its incorporation, there is no need to transfer any fund to during the reporting period in terms of Section 125 of the Act.

Further, pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended, during the Financial Year 2024-25, the company is not required to transfer any Equity Shares to the demat account of the IEPF Authority ("IEPF Account").

(j) **Rating-** There is no debt instrument or any fixed deposit programme or any scheme/proposal of the Company involving mobilisation of funds.

## 14. OTHER DISCLOSURES

(a) **Disclosure on materially significant related party transactions**

All transactions entered into with the Related Parties during the financial year 2023-24 were in the ordinary course of business and/or on arm's length basis. Details of related party transactions during the financial year 2023-24 are disclosed in the notes to the accounts. During the year, there were no materially significant transactions with the related parties that may have potential conflict with the interest of the Company at large. The Company has formulated a policy for Related Party Transaction and the said policy is available on the website of the Company under the web <https://ikio.in>.

(b) **Vigil Mechanism / Whistle Blower Policy**

The Company has established a Vigil Mechanism as defined under Regulation 22 of SEBI Listing Regulations by adopting a Whistle Blower Policy for all stakeholders including directors, employees etc. to report concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conduct as well as providing adequate safeguards against the victimisation of employees who avail of the mechanism. The Policy is available on the Company's website under the web link <https://ikio.in/uploads/policy/VigilMechanismPolicy.pdf>. No personnel of the Company have been denied access to the Audit Committee. The Company has not received any complaint during the financial year 2023-24.

**(c) Details of compliance with mandatory and adoption of non-mandatory requirements**

The Company is in compliance with all mandatory requirements of Corporate Governance specified in SEBI Listing Regulations.

The Company is not mandatorily required to constitute Risk Management Committee in terms of Regulation 21(5) of SEBI Listing Regulations, but the Board has discretionary constituted Risk Management Committee to identify the existing and prospective risks attached to the business of the Company. The Company has laid down procedure to inform Board Members about the risk assessment and minimisation procedures. These procedures are being periodically reviewed to ensure that management controls risk through the means of properly defined framework of the Company.

**(d) Web link where policy for determining material subsidiaries is disclosed.**

Royalux Export Private Limited and Royalux Lighting Private Limited are the “material subsidiary” in accordance with Regulation 16 of SEBI Listing Regulations. As required under the aforesaid Regulation, the Company has formulated a policy for determining “Material Subsidiary” policy which is placed on the website of the Company. <https://ikio.in/uploads/policy/IKIO%20POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARIES.PDF>

**(e) Disclosure of commodity price risks or foreign exchange risks and hedging activities:**

**Commodity Price Risk**

Exposure of the listed entity to Commodity & Commodity risks faced by the entity throughout the year – Not Applicable

**Foreign Exchange Risk**

Company actively monitors the foreign exchange movements. Some of the Company’s payables and receivables are in foreign currencies and due to fluctuations in foreign exchange rates, it is subject to Currency risks. Company is not involve in any hedging activities.

**(f) Details of utilisation of funds raised through preferential allotment or qualified institutional placement**

During the financial year 2023-24, the Company has not raised fund through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI Listing Regulations.

**(g) Certificate on Non-disqualification of Directors from Practicing Company Secretaries-**

As required by Clause 10(i) of Part C under Schedule V of SEBI Listing Regulations, the Company has obtained a certified from M/s. Mehak Gupta & Associates, Company Secretary in Practice certifying that for the financial year ended on March 31, 2024, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by SEBI or Ministry of Corporate Affairs (MCA) or any such statutory authority. A certificate issued by M/s. Mehak Gupta & Associates to that effect is attached and forming part of this report as **Annexure - A**.

**(h) Recommendations of the committees**

During the financial year 2023-24, the Board has accepted and taken on record, all recommendations made by any Committee of the Board.

**(i) Total fees paid by the Company to Statutory Auditors during the year ended March 31, 2024**

For Statutory Audit Fee	-	4.00 Million
Out of Pocket Expenses	-	0.40 Million
Certification Fee	-	0.07 Million
Any Other Services	-	0.40 Million

**(j) Disclosure regarding Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company is committed to provide a work environment which ensures that every employee is treated with dignity, respect and afforded equal treatment. The Company has in place a policy for prevention of Sexual Harassment of employee at workplace. The Company has set up an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into complaints relating to sexual harassment at workplace of any woman employee. During the year under review, no complaint pertaining to sexual harassment was received and no complaint was pending as on March 31, 2024.

**(k) Disclosure of Loans and advances to firms/companies in which directors are interested**

During the year under review, the Company has given loan to its Subsidiaries Company. Particulars of loan given to Subsidiaries companies is provided in financial statements of the Company.



## 15. ALL THE MANDATORY REQUIREMENTS OF SEBI LISTING REGULATIONS HAVE BEEN COMPLIED WITH BY THE COMPANY. THERE IS NO NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) OF SECTION C OF SCHEDULE V OF SEBI LISTING REGULATIONS.

**Shareholder's Rights:** The company was listed on 16<sup>th</sup> of June 2023, Quarterly financial results (Standalone & Consolidated) of the Company was published in English and Hindi newspapers and are also forwarded to BSE and NSE. The said results are also uploaded on the website of the Company <https://www.ikio.in>. However, the Company furnishes the financial results on receipt of request from the shareholders. In future also the company shall comply with the SEBI (LODR) regulations, 2015.

**Modified Opinion in Audit Report:** There was no qualification or modified opinion in the Independent Auditors' Report on Audited Financial Statements (Standalone & Consolidated) for the year ended March 31, 2024. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

**Reporting of Internal Auditors:** The Company is having Independent Internal Auditor. Internal Auditor send their reports to the Chief Financial Officer and in turn, the reports are placed at the meeting of Audit Committee for its review. The Internal Auditor of the Company is perpetual invitee to the Audit Committee Meeting. They attend Audit Committee Meeting and present their internal audit observations to the Audit Committee. They directly interact with Audit Committee Chairman & Members during the meeting.

## 16. DISCLOSURE WITH COMPLIANCE WITH THE REQUIREMENTS OF CORPORATE GOVERNANCE

All the requirements of Corporate Governance, as specified in Regulation 17 to 27 of SEBI Listing Regulations and applicable to the Company, have been complied with. The Company maintains a functional website <https://www.ikio.in> and the Company disseminate the information as specified in sub-regulation (2) of Regulation 46 of SEBI Listing Regulations on its website.

## 17. SUBSIDIARY COMPANIES

All Subsidiaries of the Company are managed by their respective Board of Directors in the best interest of those companies/ and their shareholders. The Minutes of Board Meetings of the Subsidiary Companies and details of significant transactions & arrangements entered into by them are placed before the Board of Directors of the Company Board Meetings. The annual financial statements of the subsidiary companies are reviewed by the Audit Committee of the Company.

The Company has Two (2) material subsidiary. The Company's Policy for determination of a material subsidiary, as approved by the Board, may be accessed on its corporate website at <https://ikio.in/>.

\*Due to Amalgamation of Fine Technologies (India) Private Limited into Royalux Lighting Private Limited during the year as on March 31, 2024, the company has two material Subsidiaries i.e Royalux Lighting Private Limited and Royalux Exports Private Limited.

## 18. CODE OF CONDUCT

The Company has in place a Code of conduct based on its business principles along with implementation framework for its Directors and Senior Management Personnel of the Company. The Code of Conduct, inter alia, specifies the guidance and support for ethical conduct of business and compliance of law as well as the duties of Independent Directors as laid down in the Companies Act, 2013. Directors and Senior Management of the Company affirm the compliance with the Code on annual basis. A declaration on confirmation of compliance of the Code of Conduct signed by the Managing Director is annexed as **Annexure - B** to this report.

In compliance with the SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has in place a comprehensive Code of Conduct to Regulate, Monitor and Report Trading by Insiders, for its Directors and Senior Management Officers. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company. Annual Declarations containing the annual disclosures of holding of securities have been obtained from all the Directors and the Designated Persons of the Company for the financial year ended March 31, 2024. The Code is available on the Company's website <https://ikio.in/>.

## 19. MD/ CFO CERTIFICATION

Certificate issued by Managing Director and Chief Financial Officer to the Board of Directors in terms of Regulation 17(8) of SEBI Listing Regulation read with Part B of Schedule II of SEBI Listing Regulations is annexed as **Annexure – C** to this report.

## 20. COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

As per SEBI Listing Regulations, the Compliance Certificate received from M/s. Mehak Gupta & Associates, Company Secretary in Practice confirming compliance with conditions of Corporate Governance is given as an **Annexure – D** to this Report.

For and on behalf of the Board

Place: Noida  
Date: May 24, 2024

**Hardeep Singh**  
Managing Director





## Annexure A

# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

**The Members of**

**IKIO Lighting Limited**

411, Arunachal Building 19,  
Barakhamba Road, Connaught Place,  
Delhi – 110001, India

We, **Mehak Gupta & Associates, Company Secretaries** have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **IKIO Lighting Limited** having **CIN: L31401DL2016PLC292884** and having registered office at **411, Arunachal Building 19, Barakhamba Road, Connaught Place, Delhi – 110001, India** (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Hardeep Singh	00118729	21/03/2016
2.	Ms. Surmeet Kaur	00118695	21/03/2016
3.	Mr. Sanjeet Singh	08353656	01/02/2019
4.	Mr. Rohit Singhal	05272543	20/04/2022
5.	Mr. Kishore kumar sansi	07183950	14/04/2022
6.	Mr. Chandra Shekhar Verma	00121756	14/04/2022

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

For **Mehak Gupta & Associates**  
Company Secretaries

**Mehak Gupta**

Proprietor

FCS No: 10703

C.P No. 15013

Peer Review No.: 1643/2022

UDIN: F010703F000423577

Place: New Delhi

Date: May 22, 2024

## Annexure B

### DECLARATION BY MANAGING DIRECTOR

[Under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
IKIO Lighting Limited

I, Hardep Singh, Managing Director of the Company, hereby confirm that the members of the Board of Directors and Senior Management Personal of the Company have affirmed the compliance with the code of conduct for Directors and Senior Management adopted by the Company for the financial year ended March 31, 2024 in terms of para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **IKIO Lighting Limited**

Place: Noida  
Date: May 24, 2024

**Hardeep Singh**  
Managing Director  
DIN: 00118729



## Annexure C

# COMPLIANCE CERTIFICATE

To,  
**The Board of Directors**  
**IKIO Lighting Limited**

As stipulated under Regulation 17(8) and Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
  - 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - 1) significant changes in internal control over financial reporting during the year;
  - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **IKIO Lighting Limited**

Place: Noida  
Date: May 24, 2024

**HARDEEP SINGH**  
Managing Director  
(DIN: 00118729)

**SUBHASH CHAND AGRAWAL**  
Chief Financial Officer

## Annexure D

# CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

[Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
**The Members of**  
**IKIO Lighting Limited**  
411, Arunachal Building 19,  
Barakhamba Road, Connaught Place,  
Delhi – 110001, India

We have examined all the relevant records of **IKIO Lighting Limited** for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period ended March 31, 2024

For **Mehak Gupta & Associates**  
Company Secretaries

**Mehak Gupta**  
Proprietor  
FCS No: 10703  
C.P No. 15013

Peer Review No.: 1643/2022  
UDIN: F010703F000423599

Place: New Delhi  
Date: May 22, 2024

# **Standalone Financial Statements**



# Independent Auditor's Report

To

**The Members of  
IKIO Lighting Limited**

**Report on the Audit of the Standalone Financial  
Statements**

## OPINION

We have audited the accompanying standalone financial statements of IKIO Lighting Limited ("the Company") which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## BASIS FOR OPINION

We conducted our audit in accordance with 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report for the financial year 2023-24 but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

## MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity, and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and the Board of Directors are 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 operation, or has no realistic alternative but to do so.

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

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

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

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

- ◆ Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the

## Independent Auditor's Report (Contd.)

standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash 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 Ind AS specified under section 133 of the Act;
  - (e) On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 on Contingent Liabilities to the financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv) (a) The Management has represented that, to the best of its knowledge and belief, other than 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 entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- (v) As stated in Note 18 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- (vi) Based on our examination which included test checks, except for the instances mentioned below, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:
- (a) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account relating to payroll of the accounting software used for maintaining general ledger.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For BGJC & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. 003304N/N500056

**Pranav Jain**

Partner

Date: May 24, 2024

Membership No. 098308

Place: Noida

UDIN: 24098308BKCQBJ5719

The Company has not paid any dividend during the year and until the date of this report.

## Annexure 1 to the Independent Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of IKIO Lighting Limited on the standalone financial statements for the year ended March 31, 2024]

To the best of our information and according to the information, explanations, and written representations provided to us by the Company and the books of account and other records examined by us in the normal course of audit we report that:

- (i) In respect of the Company's property, plant and equipment, right of use assets and intangible assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right of use assets which were due for physical verification during the year were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of following immovable properties which have been pledged as security for loans taken by the Company, have been verified from the pledge documents.
- (d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets and Intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Management has conducted physical verification of inventory at reasonable intervals during the year, except for goods in transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification which have been properly dealt with in the books of account.
- (b) The Company has a working capital limit in excess of ₹5 crore sanctioned by banks based on the security of current assets during the year. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are materially in agreement with the books of account of the Company for the respective periods.
- (iii) The Company has not provided any guarantee, security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loans to companies and made investments in companies during the year, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties.

(₹ million)

Description of property	Gross Carrying Value
Industrial Land and Building, Plot No- 102, Sector 7, Industrial Area 11 E, Ranipur, Sidkul, Distt- Haridwar.	70.44



- (a) The Company has provided loans to 3 companies and guarantee and security to 1 company. The details of the same are given below:

Particulars	(₹ million)		
	Guarantee	Security	Loans
Aggregate amount during the year			
- Subsidiaries	-	-	643.50
- Others	-	-	-
Balance outstanding as at balance sheet date			
- Subsidiaries	18.90	18.90	741.09
- Others	-	-	-

- (b) In our opinion the investments made during the year and the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantees or security or granted any advances in the nature of loans during the year. The terms and conditions of the guarantees and security given in the earlier years are not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal and interest are regular.
- (d) There is no overdue amount in respect of loans granted to such companies.
- (e) The Company has not granted any which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans.
- (f) The Company has granted loans which are repayable on demand or without specifying any terms or period of repayment, as per details below:

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans			
- Repayable on demand (A)	69.79	-	69.79
- Agreement does not specify any terms or period of repayment (B)	-	-	-
<b>Total (A+B)</b>	<b>69.79</b>	<b>-</b>	<b>69.79</b>
Percentage of loans	9.42%	-	9.42%

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, investments, guarantees and security, as applicable. Further, the Company has not entered into any transaction covered under section 185.
- (v) The Company has not accepted any deposits and there are no amounts which have been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.



## Annexure 1 to the Independent Auditor's Report (Contd.)

- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (In ₹ million)	Period to which the amount relates (A.Y.)	Forum where dispute is pending	Remarks, if any
The Customs Act, 1962	IGST on Imports	2.07	2024-2025	Commissioner (Appeals), Customs, New Delhi	Appeal filed on 11.09.2023 and pending for order before commissioner (appeals), customs, New Delhi
Sales Tax Act	Demand under Sales Tax Act	25.10	2018-2019	Joint Commissioner (Appeal) Dehradun (UK)	Appeal filed on April 13, 2022

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and other lenders and written representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. There are no joint ventures or associate companies.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. There are no joint ventures or associate companies.
- (x) (a) In our opinion and according to the information and explanations given to us, money raised by way of initial public offer were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realizable liquid investments.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.



- (c) According to the information and explanations given to us including the written representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015, as amended as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (c) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII of the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The Company has not undertaken any ongoing projects in relation to its CSR activities. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For BGJC & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. 003304N/N500056

**Pranav Jain**

Partner

Date: May 24, 2024

Membership No. 098308

Place: Noida

UDIN: 24098308BKCQBJ5719

## Annexure 2 to the Independent Auditor's Report

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of IKIO Lighting Limited on the financial statements for the year ended March 31, 2024]

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

We have audited the internal financial controls over financial reporting of IKIO Lighting Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 Companies Act, 2013.

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by 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 over financial

reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **For BGJC & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. 003304N/N500056

### **Pranav Jain**

Partner

Date: May 24, 2024

Membership No. 098308

Place: Noida

UDIN: 24098308BKCQBJ5719

## Standalone Balance Sheet

as at March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	170.30	174.79
Right of use assets	4	4.28	2.10
Other Intangible assets	5	0.27	0.72
Financial assets			
(i) Investments	6	1,271.80	130.10
(ii) Loans	7	671.30	129.00
(iii) Other financial assets	8	2.47	1.60
Deferred tax assets (Net)	9	7.17	6.58
Non current tax asset (Net)	10	17.08	4.96
Other non current assets	11	7.89	2.10
<b>Total non-current assets</b>		<b>2,152.56</b>	<b>451.95</b>
<b>Current assets</b>			
Inventories	12	479.38	443.62
Financial assets			
(i) Trade receivables	13	217.01	163.10
(ii) Cash and cash equivalents	14	87.51	0.70
(iii) Bank balances other than (ii) above	14.1	1,757.05	-
(iv) Loans	15	69.79	285.29
(v) Other financial assets	16	108.92	7.20
Other current assets	17	214.27	143.31
<b>Total current assets</b>		<b>2,933.93</b>	<b>1,043.22</b>
<b>Total assets</b>		<b>5,086.49</b>	<b>1,495.17</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	18	772.81	650.00
Other equity	19	4,026.02	361.62
<b>Total equity</b>		<b>4,798.83</b>	<b>1,011.62</b>
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	20	-	3.42
(ii) Lease liabilities	21	1.79	0.37
Provisions	22	5.65	9.65
<b>Total non-current liabilities</b>		<b>7.44</b>	<b>13.44</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	23	98.10	240.93
(ii) Lease liabilities	24	2.39	1.60
(iii) Trade payables	25		
- total outstanding dues of micro and small enterprises; and		57.91	107.28
- total outstanding dues of creditors other than micro and small enterprises		76.14	74.23
(iv) Other financial liabilities	26	28.15	22.15
Other current liabilities	27	16.15	21.90
Provisions	28	1.38	2.02
<b>Total current liabilities</b>		<b>280.22</b>	<b>470.11</b>
<b>Total liabilities</b>		<b>287.66</b>	<b>483.55</b>
<b>Total equity and liabilities</b>		<b>5,086.49</b>	<b>1,495.17</b>

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

**For BGJC & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 003304N/N500056

**Pranav Jain**  
Partner  
Membership No. 098308

Place: Noida  
Date: May 24, 2024

**For and on behalf of the Board of Directors of  
IKIO Lighting Limited**

**Hardeep Singh**  
Managing Director  
DIN: 00118729

**Subhash Agrawal**  
Chief Financial Officer

**Surmeet Kaur**  
Whole Time Director  
DIN: 00118695

**Sandeep Agarwal**  
Company Secretary  
M. No.: A66255



# Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	29	2,409.76	2,413.59
Other income	30	192.42	26.31
<b>Total Income</b>		<b>2,602.18</b>	<b>2,439.90</b>
<b>Expenses</b>			
Cost of materials consumed	31	1,819.90	1,695.34
Change in inventories	32	(45.05)	60.45
Employee benefits expense	33	243.08	188.68
Finance costs	34	58.00	57.35
Depreciation and amortisation expense	35	29.86	29.04
Other expenses	36	104.83	79.72
<b>Total expenses</b>		<b>2,210.62</b>	<b>2,110.58</b>
<b>Profit before tax</b>		<b>391.56</b>	<b>329.32</b>
<b>Tax Expense</b>			
Current tax		105.19	85.56
Deferred tax (credit) / charge		(0.74)	(2.71)
Related to earlier years		0.35	0.05
		<b>104.80</b>	<b>82.90</b>
<b>Profit after tax</b>		<b>286.76</b>	<b>246.42</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Remeasurement of defined benefit plans		0.59	1.05
- Income tax relating to these items		(0.15)	(0.26)
<b>Other comprehensive income for the year, net of tax</b>		<b>0.44</b>	<b>0.79</b>
<b>Total comprehensive income for the year</b>		<b>287.20</b>	<b>247.21</b>
<b>Earnings per equity share :</b>			
Nominal value of ₹10 each (previous year ₹10 each)			
- Basic (₹)	37	3.83	3.79
- Diluted (₹)		3.83	3.79

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

**For BGJC & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 003304N/N500056

**Pranav Jain**  
Partner  
Membership No. 098308

Place: Noida  
Date: May 24, 2024

**For and on behalf of the Board of Directors of  
IKIO Lighting Limited**

**Hardeep Singh**  
Managing Director  
DIN: 00118729

**Subhash Agrawal**  
Chief Financial Officer

**Surmeet Kaur**  
Whole Time Director  
DIN: 00118695

**Sandeep Agarwal**  
Company Secretary  
M. No.: A66255



## Standalone Cash flow Statement

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

		Year ended March 31, 2024	Year ended March 31, 2023
<b>A. Cash flow from operating activities</b>			
Net profit before tax		391.56	329.32
<b>Adjustments for:</b>			
Depreciation and amortisation expense		29.86	29.04
Provision for expected credit loss		(0.74)	1.14
Finance costs		58.00	57.35
Interest Income		(188.97)	(17.59)
Gain on sale of property, plant and equipment (net)		(0.26)	(0.11)
Sundry Balance written Off		1.21	0.70
Unrealised foreign exchange loss (net)		0.21	0.93
<b>Operating profit before working capital changes and other adjustments</b>		<b>290.87</b>	<b>400.77</b>
<b>Working capital changes and other adjustments:</b>			
Inventories		(35.76)	118.73
Trade receivables		(53.91)	94.67
Other financial assets		(31.06)	0.34
Other current assets		(70.98)	(35.69)
Trade payables		(47.66)	41.10
Other financial liabilities		6.00	(8.33)
Other current liabilities		(5.75)	17.77
Provisions		(5.23)	2.22
<b>Cash generated from operations</b>		<b>46.52</b>	<b>631.58</b>
Income tax paid (net of refunds)		(116.92)	(100.95)
<b>Net cash (used in) / generated from Operating activities</b>	<b>(A)</b>	<b>(70.40)</b>	<b>530.64</b>
<b>B. Cash flow from investing activities:</b>			
Purchase of property, plant and equipment (including intangible assets and capital advance)		(37.29)	(30.37)
Sale of property, plant and equipment and intangible assets		9.32	3.23
Investments in Subsidiaries		(1,141.70)	(130.10)
Loan given to Subsidiaries		(643.50)	(414.29)
Payment received from subsidiary against Loan		316.70	-
Movement in bank deposit		(1,757.05)	-
Interest received		117.44	8.31
<b>Net cash used in investing activities</b>	<b>(B)</b>	<b>(3,136.08)</b>	<b>(563.22)</b>
<b>C. Cash flow from financing activities:</b>			
(Decrease)/Increase in long term borrowings from banks		(3.42)	(7.66)
Increase/(Decrease) in short term borrowings from banks		(142.83)	93.71
Share Premium received		3,377.19	-
Issue of share capital		122.81	-
Payment of lease obligation		(2.68)	(2.16)
Interest paid		(57.78)	(57.10)
<b>Net cash generated from financing activities</b>	<b>(C)</b>	<b>3,293.29</b>	<b>26.79</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>86.81</b>	<b>(5.80)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>0.70</b>	<b>6.50</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>87.51</b>	<b>0.70</b>



# Standalone Cash flow Statement

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Notes to cash flow statement</b>		
<b>(i). Components of Cash and cash equivalents</b>		
Balances with banks:		
- In current accounts	27.31	0.02
Cash on hand	0.20	0.68
Fixed deposits with original maturity of 3 months or less	60.00	-
	<b>87.51</b>	<b>0.70</b>
(ii). The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Cash Flow Statements.		
(iii). Notes to the Financials Statements are integral part of the Cash Flow Statement.		

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

**For BGJC & Associates LLP**

Chartered Accountants

Firm's Registration No.: 003304N/N500056

**Pranav Jain**

Partner

Membership No. 098308

Place: Noida

Date: May 24, 2024

**For and on behalf of the Board of Directors of  
IKIO Lighting Limited**

**Hardeep Singh**

Managing Director

DIN: 00118729

**Subhash Agrawal**

Chief Financial Officer

**Surmeet Kaur**

Whole Time Director

DIN: 00118695

**Sandeep Agarwal**

Company Secretary

M. No.: A66255

# Standalone Statement of Changes in Equity

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## A. EQUITY SHARE CAPITAL\*\*

Particulars	Amount
<b>Balance as at April 01, 2022</b>	<b>250.00</b>
Issue of Bonus Shares during the year	400.00
<b>Balance as at March 31, 2023</b>	<b>650.00</b>
Shares issue during the year	122.81
<b>Balance as at March 31, 2024</b>	<b>772.81</b>

## B. OTHER EQUITY\*\*

Particulars	Reserve and Surplus			Remeasurement of defined benefit plans	Total other equity
	Equity Component	Securities Premium	Retained Earnings		
<b>Balance as at April 01, 2022</b>	-	-	<b>512.46</b>	<b>1.95</b>	<b>514.41</b>
Profit for the year	-	-	246.42	0.79	247.21
Other comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Income</b>	-	-	<b>758.88</b>	<b>2.74</b>	<b>761.62</b>
Issue of Bonus Share	-	-	(400.00)	-	(400.00)
<b>Balance as at March 31, 2023</b>	-	-	<b>358.88</b>	<b>2.74</b>	<b>361.62</b>
Profit for the year	-	-	286.76	-	286.76
Other comprehensive Income	-	-	-	0.44	0.45
<b>Total Comprehensive Income</b>	-	-	<b>645.64</b>	<b>3.19</b>	<b>648.83</b>
Securities Premium	-	3,377.19	-	-	3,377.19
<b>Balance as at March 31, 2024</b>	-	<b>3,377.19</b>	<b>645.64</b>	<b>3.19</b>	<b>4,026.02</b>

### Nature and Purpose of Reserve and Surplus

#### (a) Securities Premium

Securities Premium represents the amount received by the Company over and above nominal value upon issue of equity shares with premium. The securities premium can be utilised in accordance with the provisions of Section 52 and other applicable provisions of the Companies Act, 2013.

#### (b) General Reserve

The General Reserve represents free reserves being an appropriation of profit/retained earnings and kept aside to meet the future requirements as and when they arise. Mandatory transfer to general reserve is not required under the Companies Act, 2013. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve are not reclassified subsequently to the Statement of Profit and Loss.

#### (c) Retained Earnings

Retained Earnings represents the amount of accumulated earnings of the Company.

#### (d) Other Comprehensive Income (OCI)

OCI represents variation in the amount of equity instruments measured at fair value through other comprehensive income.

\*\*The accompanying notes 18 and 19 are integral part of these financial statements.

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

**For BGJC & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 003304N/N500056

**Pranav Jain**  
Partner  
Membership No. 098308

Place: Noida  
Date: May 24, 2024

**For and on behalf of the Board of Directors of  
IKIO Lighting Limited**

**Hardeep Singh**  
Managing Director  
DIN: 00118729

**Subhash Agrawal**  
Chief Financial Officer

**Surmeet Kaur**  
Whole Time Director  
DIN: 00118695

**Sandeep Agarwal**  
Company Secretary  
M. No.: A66255



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

## BACKGROUND

IKIO Lighting Limited (formerly IKIO Lighting Private Limited) ('the Company') is a company domiciled in India, with its registered office situated at Delhi. The Company was incorporated in India on March 21, 2016. The Company has received approval from the Ministry of Corporate Affairs on April 18, 2022, for the change of name from IKIO Lighting Private Limited to IKIO Lighting Limited. The Company is a leading manufacturer of LED Lighting in India. The Company delivers the right solutions and value for customers' LED Lighting requirements because of its innovative approach and vertically integrated infrastructure.

## 1. BASIS OF PREPARATION

### (i) Statement of compliance:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 ('the Act') - read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act.

The Company has uniformly applied the accounting policies during the periods presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements for the year ended March 31, 2024 were authorised and approved for issue by the Board of Directors on May 24, 2024.

### (ii) Current and non-current classification

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 to the Act.

Based on the above criteria, the Company has ascertained its accounting cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

### (iii) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR/₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

### (iv) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit liability	Present value of defined benefit obligations.

### Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

### Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- ◆ Note no 39: leases: whether an arrangement contains a lease;
- ◆ Note no 46: classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2024 is included in the following notes:

- ◆ Note no 3: measurement of useful lives and residual values to property, plant and equipment;
- ◆ Note no 3 & 4: impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

- ◆ Note no 4: measurement of useful lives of intangible assets;
- ◆ Note no 49: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- ◆ Note no 38: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources;
- ◆ Note no 42: measurement of defined benefit obligations: key actuarial assumptions;
- ◆ Note no 46: Fair value measurement of financial instruments and impairment of financial assets.

## (v) Measurement of fair value

A number of accounting policies and disclosures require measurement of fair value for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either –

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

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

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

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## Recent Indian Accounting Standards (Ind AS) and Pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## 2.1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

### (i) Revenue

In recognising revenue, the Company applies Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The Standard require apportioning revenue earned from contracts to individual promises, or performance obligations, on a relative stand-alone selling price basis, using a five-step model.

Revenue is recognised upon transfer of control of promised product or services to customer in an amount that reflect the consideration which the company expects to receive in exchange for those product or services at the fair value of the consideration received or receivable, which is generally the transaction price, net of any taxes/ duties and discounts.

The company earns revenue from sales of LED lighting.

### Revenue from sale of LED lighting

Revenue from Sale of LED lighting is recognised at the point of time upon transfer of control of promised goods to the customer in an amount that reflects the consideration the Company expects to receive in exchange for those goods i.e. when it is probable that the entity will receive the economic benefits associated with the transaction and the related revenue can be reliably measured. Revenue is recognised at the fair value of the consideration received or receivable, which is generally the contracted



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

price, net of any taxes/duties and discounts considering the impact of variable consideration.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

## Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

## Use of significant judgements in revenue recognition: -

- ◆ The performance obligation is satisfied upon delivery of the goods.
- ◆ At the time of entering into the agreement / raising an invoice, performance obligations in the contract are identified. The Company delivers goods as per terms & condition of the contract. Contracts are of differing natures and sometimes have one specific performance obligation, and on other occasions have multiple performance obligations. Contract liability has been created towards unsatisfied or partially satisfied performance obligation.
- ◆ Contract fulfilment costs are expensed as incurred.

## Interest income

Interest income on time deposits and inter-corporate loans is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

## Other income

In respect of other heads of income, the Company follows the practice of recognising income on accrual basis.

## (ii) Property, plant and equipment

### Recognition and measurement

Items of property, plant and equipment are measured at cost, net of recoverable taxes (wherever applicable), which includes capitalised borrowing costs less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, if any, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant, and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

### Subsequent expenditure

Subsequent expenditures are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting year in which they are incurred.

### Depreciation methods, estimated useful lives and residual values

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value over their useful life using written down value method and is recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as under and the same are equal to lives specified as per schedule II of the Act.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Particulars	Useful lives (in years)
Tangible assets:	
Building	60
Furniture and fixtures	8-10
Plant & Machinery	15
Office equipment	5
Vehicle	8-10
Computer equipment	3
Computer servers and networks	6

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from property, plant and equipment is provided for up to the date of sale, deduction or discard of property, plant and equipment as the case may be.

Depreciation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

### (iii) Other intangible assets

#### Other intangible assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the company and where its cost can be reliably measured.

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

#### Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight line method and is included in depreciation and amortisation expense in the statement of profit and loss.

The useful lives of intangible assets are as follows:

Intangible assets	Useful lives (in years)
Software	5

Amortisation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the statement of profit and loss.

### (iv) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's or CGU's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

### (v) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

## (vi) Financial instruments

### i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue, except for an item recognised at fair value through profit and loss. Transaction cost of financial assets carried at fair value through profit and loss is expensed in the statement of profit and loss.

### ii. Classification and subsequent measurement

#### Financial assets

On initial recognition, a financial asset is classified as measured at

- ◆ amortised cost;
- ◆ Fair value through other comprehensive income (FVOCI), or
- ◆ Fair value through profit and loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- ◆ the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- ◆ the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- ◆ the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ◆ the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified to be measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### Financial assets: Business model assessment

The Company assesses the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- ◆ the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets.
- ◆ how the performance of the portfolio is evaluated and reported to the Company's management.
- ◆ the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- ◆ how managers of the business are compensated – e.g., whether compensation is

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

based on the fair value of the assets managed or the contractual cash flows collected; and

- ◆ the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- ◆ contingent events that would change the amount or timing of cash flows;
- ◆ terms that may adjust the contractual coupon rate, including variable interest rate features; prepayment and extension features; and
- ◆ terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for

a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

### Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

Debts investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On Derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

### Financial liabilities: classification, subsequent measurement & gain and loss

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

### iii. Offsetting

Financial assets and monetary liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

### iv. Derecognition

#### Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

### v. Impairment of financial instruments:

The Company recognises loss allowances for expected credit losses on:-

- ◆ Financial assets measured at amortised cost; and

- ◆ Financial assets measured at FVOCI-debt investments

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- ◆ significant financial difficulty of the borrower or issuer;
- ◆ a breach of contract such as a default or being past due for agreed credit period;
- ◆ the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- ◆ it is probable that the borrower will enter bankruptcy or another financial reorganisation; or
- ◆ the disappearance of an active market for a security because of financial difficulties.

#### Expected credit loss:

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than agreed credit period.

The Company considers a financial asset to be in default when:

- ◆ the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- ◆ the financial asset is past due and not recovered within agreed credit period.

### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets disclosed in the Balance Sheet.

### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## (vii) Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of inventories is based on the weighted average.

The Cost comprises all costs of purchases and other costs incurred in bringing the inventory to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary

to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

## (viii) Employee Benefits

### Short term employee benefits:

Short term employee benefit obligations are measured on an undiscounted basis and are expensed off as the related services are provided. Benefits such as salaries, wages, and bonus etc. are recognised in the statement of profit and loss in the year in which the employee renders the related service. The liabilities are presented as current employee benefit obligation in the balance sheet.

### Long term employee benefits

#### *Defined contribution plan: Provident fund*

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India. The Company has no further obligations under the plan beyond its monthly contributions. Obligation for contribution to defined contribution plan are recognised as an employee benefit expense in statement of profit and loss in the period during which the related services are rendered by the employees.

#### *Defined Benefit Plan: Gratuity*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company provides for retirement benefits in the form of Gratuity, which provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. Benefits payable to eligible employees of the company with respect to gratuity is accounted for on the basis of an actuarial valuation as at the balance sheet date.

The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost as at the balance sheet date.





# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

The resultant actuarial gain or loss on change in present value of the defined benefit obligation is recognised as an income or expense in the other comprehensive income. The Company's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The Company's determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Actuarial gain and losses are recognised in the Other Comprehensive Income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

## ***Other long-term benefits: Compensated absences***

Benefits under the Company's compensated absences scheme constitute other employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation using the Projected Unit Credit Method, done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss.

## **(ix) Income tax**

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

### **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount

expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- ◆ temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- ◆ taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be real.

### (x) Contingent Liability, Contingent Asset and Provisions

#### Contingent liability

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

#### Contingent assets

Contingent assets are possible assets that arises from past events and whose existence 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.

#### Provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources, and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

### (xi) Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant

risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

### (xii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, share split or consolidation of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares as at the beginning of the period, unless they have been issued at a later date.

### (xiii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

In accordance with Ind AS 108 – Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance.

Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The operating segments have been identified on the basis of the nature of products/ services. Further:

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment.
2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallowable expenditure.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

3. Income which relates to the Company as a whole and not allocable to segments is included in unallowable income.
4. Segment assets and liabilities include those directly identifiable with the respective segments. Unallowable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

The Board of Director(s) are collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. Refer Note 41 for segment information.

## (xiv) Leases

### Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- ◆ the contract involves the use of an identified asset
- ◆ the Company has substantially all the economic benefits from use of the asset through the period of the lease and
- ◆ the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease

liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 3. PROPERTY, PLANT AND EQUIPMENT

#### Year ended March 31, 2024

Description	Gross block (at cost)				Accumulated depreciation				Net block
	As at April 01, 2023	Additions during the year	Disposal/ Adjustment	As at March 31, 2024	As at April 01, 2023	For the year	Disposal/ Adjustment	As at March 31, 2024	As at March 31, 2024
Land	36.68	-	-	36.68	-	-	-	-	36.68
Building	33.76	-	-	33.76	8.30	2.42	-	10.72	23.04
Computer	0.26	2.62	-	2.88	0.21	0.55	-	0.76	2.12
Plant & machinery	146.11	20.18	3.49	162.80	44.85	20.53	0.17	65.21	97.59
Furniture & fixtures	0.24	-	-	0.24	0.14	0.02	-	0.16	0.08
Vehicles	22.91	8.44	12.95	18.40	13.99	2.36	7.37	8.98	9.42
Office equipment	4.61	0.27	0.15	4.73	2.29	1.07	-	3.36	1.37
	<b>244.57</b>	<b>31.51</b>	<b>16.59</b>	<b>259.48</b>	<b>69.78</b>	<b>26.95</b>	<b>7.54</b>	<b>89.20</b>	<b>170.30</b>

#### Year ended March 31, 2023

Description	Gross block (at cost)				Accumulated depreciation				Net block
	As at April 01, 2022	Additions during the year	Disposal/ Adjustment	As at March 31, 2023	As at April 01, 2022	For the year	Disposal/ Adjustment	As at March 31, 2023	As at March 31, 2023
Land	36.68	-	-	36.68	-	-	-	-	36.68
Building	33.76	-	-	33.76	5.63	2.67	-	8.30	25.46
Computer	0.26	-	-	0.26	0.14	0.07	-	0.21	0.05
Plant & machinery	115.08	35.19	4.16	146.11	26.55	19.34	1.04	44.85	101.26
Furniture & fixtures	0.24	-	-	0.24	0.11	0.03	-	0.14	0.10
Vehicles	22.91	-	-	22.91	9.94	4.05	-	13.99	8.92
Office equipment	3.48	1.13	-	4.61	1.59	0.70	-	2.29	2.32
	<b>212.41</b>	<b>36.32</b>	<b>4.16</b>	<b>244.57</b>	<b>43.96</b>	<b>26.86</b>	<b>1.04</b>	<b>69.78</b>	<b>174.79</b>

#### Footnote:

- (i) There are no impairment losses recognised during the year.
- (ii) There are no exchange differences adjusted in Property, plant and equipment.
- (iii) Refer note no 38 for capital commitments
- (iv) The Company has not carried out any revaluation of property, plant and equipment for the year ended March 31, 2024 and year ended March 31, 2023.
- (v) Refer note no 20 and 23 regarding hypothecation/pledge of Property, Plant and Equipment against the borrowings from banks.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 4. RIGHT OF USE ASSETS

Reconciliation of carrying value	Amount
<b>Gross carrying amount as at April 01, 2022</b>	
Opening balance	4.05
Addition during the year	0.56
Reversal due to closure of lease agreement	-
<b>Closing gross carrying amount March 31, 2023</b>	<b>4.61</b>
Addition during the year	4.64
Reversal due to closure of lease agreement (Refer footnote)	-
<b>Closing gross carrying amount March 31, 2024</b>	<b>9.25</b>
<b>Accumulated amortisation and impairment</b>	
Opening balance	0.69
Amortisation for the year	1.82
Reversal due to closure of lease agreement (Refer footnote)	-
<b>Closing accumulated amortisation and impairment as on March 31, 2023</b>	<b>2.51</b>
Amortisation for the year	2.46
Reversal due to closure of lease agreement (Refer footnote)	-
<b>Closing accumulated amortisation and impairment as on March 31, 2024</b>	<b>4.97</b>
Net carrying amount as at March 31, 2023	2.10
<b>Net carrying amount as at March 31, 2024</b>	<b>4.28</b>

### Note

- During the year ended March 31, 2024 and year ended March 31, 2023, the company recognised right of use assets as per Ind AS 116 Lease (Refer note no 39)

## 5 OTHER INTANGIBLE ASSETS

### Year ended March 31, 2024

Description	Gross block (at cost)				Accumulated amortisation				Net block
	As at April 01, 2023	Additions during the year	Disposal/ Adjustment	As at March 31, 2024	As at April 01, 2023	Additions during the year	Disposal/ Adjustment	As at March 31, 2024	As at March 31, 2024
Computer software	2.08	-	-	2.08	1.36	0.45	-	1.81	0.27
	<b>2.08</b>	<b>-</b>	<b>-</b>	<b>2.08</b>	<b>1.36</b>	<b>0.45</b>	<b>-</b>	<b>1.81</b>	<b>0.27</b>

### Year ended March 31, 2023

Description	Gross block (at cost)				Accumulated amortisation				Net block
	As at April 01, 2022	Additions during the year	Disposal/ Adjustment	As at March 31, 2023	As at April 01, 2022	Additions during the year	Disposal/ Adjustment	As at March 31, 2023	As at March 31, 2023
Computer software	1.46	0.62	-	2.08	1.00	0.36	-	1.36	0.72
	<b>1.46</b>	<b>0.62</b>	<b>-</b>	<b>2.08</b>	<b>1.00</b>	<b>0.36</b>	<b>-</b>	<b>1.36</b>	<b>0.72</b>

### Footnote:

- There are no internally generated intangible assets.
- The Company has not carried out any revaluation of intangible assets for the year ended March 31, 2024 and year ended March 31, 2023.
- There are no other restriction on title of intangible assets other than as already disclosed.
- There are no exchange differences adjusted in intangible assets.
- The company have not acquired intangible assets free of charge, or for nominal consideration, by way of a government grant.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 6 INVESTMENT (NON-CURRENT)

#### Investments in Equity Instruments

Investments in Equity Instruments	As at March 31, 2024	As at March 31, 2023
Fine Technologies (India) Private Limited	-	129.60
Royalux Lighting Private Limited	372.00	-
IKIO Solutions Private Limited	899.80	0.50
<b>Total</b>	<b>1,271.80</b>	<b>130.10</b>
* Investment at subsidiary are stated at cost as per Ind AS 27 "Separate Financial Statement".		
Book value of Aggregate Amount of unquoted investment		
Book Value (in million)	1,271.80	130.10

#### Notes:

Information of subsidiaries Companies

Name of entity	Principal activity	Place of incorporation	Proportion of ownership interest / voting rights held by the group	
			As at March 31, 2024	As at March 31, 2023
<b>Subsidiary companies</b>				
i) Royalux Lighting Private Limited (refer note - 51)	Manufacturing	Delhi, India	100%	0%
ii) Fine Technologies (India) Private Limited (refer note - 51)	Manufacturing	Delhi, India	0%	100%
iii) IKIO Solutions Private Limited	Manufacturing	Noida, Uttar Pradesh	100%	100%

### 7 LOANS (NON-CURRENT)

Loan to Subsidiaries	As at March 31, 2024	As at March 31, 2023
Considered good - Unsecured	671.30	129.00
<b>Total</b>	<b>671.30</b>	<b>129.00</b>

#### Notes:

1. Disclosure of Loan and Advances in the nature of loans given to subsidiaries.

	As at March 31, 2024	As at March 31, 2023
Fine Technologies (India) Private Limited	-	129.00
Royalux Lighting Private Limited	349.30	-
IKIO Solutions Private Limited	322.00	-
<b>Total</b>	<b>671.30</b>	<b>129.00</b>

2. These loans are interest bearing at the rate 9.50% per annum.



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 8 OTHER FINANCIAL ASSETS (NON-CURRENT)

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured considered goods</b>		
Security deposit	2.42	1.55
Fixed Deposit	0.05	0.05
	<b>2.47</b>	<b>1.60</b>

Deposits of ₹0.05 millions (March 31, 2023 ₹0.05 millions) has been made for issue of guarantees in favor of value added tax authorities.

### 9 DEFERRED TAX ASSETS (NET)

	As at March 31, 2024	As at March 31, 2023
Deferred tax assets (refer note no 49)	7.17	6.58
	<b>7.17</b>	<b>6.58</b>

### 10 NON CURRENT TAX ASSETS (NET)

	As at March 31, 2024	As at March 31, 2023
Income tax (Net of Tax Deducted at Source)	17.08	4.96
	<b>17.08</b>	<b>4.96</b>

### 11 OTHER NON CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - Considered Good</b>		
Balance with government authorities	0.39	0.39
Capital Advances	7.50	1.71
	<b>7.89</b>	<b>2.10</b>

### 12 INVENTORIES

	As at March 31, 2024	As at March 31, 2023
<b>Valued at lower of cost or net realisable value</b>		
Raw materials	395.86	404.05
Work-in-progress	71.41	21.01
Finished goods	12.01	17.36
Other	-	
(i) Stock in transit	0.10	1.21
	<b>479.38</b>	<b>443.62</b>

Inventories are pledged as security for borrowings taken from bank (refer note no 20 and 23)



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 13 TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
Unsecured		
Considered good	217.16	164.10
Having significant increase in credit risk	0.55	0.44
Less: provision for the expected credit loss	(0.70)	(1.44)
	<b>217.01</b>	<b>163.10</b>

#### Footnote:

Ageing Schedule for Trade Receivables- March 31, 2024

Particulars	Not Due	Outstanding as at 31 March, 2024 from due date of payment					Total
		0-6 Months	6-12 months	1-2 Years	2-3 Years	More than 3 Year	
<b>Unsecured:</b>							
(i) Undisputed Trade receivables — considered good	189.39	27.48	0.29	-	-	-	217.16
(ii) Undisputed Trade receivables — Having significant increase in credit risk	-	-	-	0.31	-	0.24	0.55
(iii) Undisputed Trade receivables — credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables — Having significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables — credit Impaired	-	-	-	-	-	-	-
Less: provision for the expected credit loss	-	(0.35)	(0.05)	(0.08)	-	(0.23)	(0.70)
<b>Total</b>	<b>189.39</b>	<b>27.13</b>	<b>0.24</b>	<b>0.23</b>	<b>-</b>	<b>-</b>	<b>217.01</b>



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### Ageing Schedule for Trade Receivables- March 31, 2023

Particulars	Not Due	Outstanding as at 31 March, 2023 from due date of payment					Total
		0-6 Months	6-12 months	1-2 Years	2-3 Years	More than 3 Year	
<b>Unsecured:</b>							
(i) Undisputed Trade receivables — considered good	47.90	112.42	3.78	-	-	-	164.10
(ii) Undisputed Trade receivables — Having significant increase in credit risk	-	-	-	0.15	0.29	-	0.44
(iii) Undisputed Trade receivables — credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables — Having significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables — credit Impaired	-	-	-	-	-	-	-
Less: provision for the expected credit loss	-	(0.69)	(0.57)	(0.04)	(0.14)	-	(1.44)
<b>Total</b>	<b>47.90</b>	<b>111.73</b>	<b>3.21</b>	<b>0.11</b>	<b>0.15</b>	<b>-</b>	<b>163.10</b>

The Company has measured expected credit loss of trade receivable based on simplified approach as per Ind AS 109 - Financial Instruments.

- For explanation on the Company credit risk management process, refer note 46.
- Trade receivables are non interest bearing.
- Trade receivables are pledged as securities for borrowings taken from banks (refer note 20 and 23)

## 14 CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
<b>Balances with banks</b>		
- On current accounts	27.31	0.02
Cash on hand	0.20	0.68
Fixed deposits with original maturity of 3 months or less	60.00	-
	<b>87.51</b>	<b>0.70</b>

### 14.1 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Term deposits maturity period more than 3 months but less than 12 months*	1,757.05	-
	<b>1,757.05</b>	<b>-</b>

\*This includes term deposits amounting INR 30.65 million have been pledged against bank guarantee.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 15 LOAN (CURRENT)

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - Considered Good</b>		
Loan to Subsidiaries	69.79	285.29
	<b>69.79</b>	<b>285.29</b>

**Notes:**

- Disclosure of Loan and Advances in the nature of loans given to subsidiaries.

	As at March 31, 2024	As at March 31, 2023
Fine Technologies (India) Private Limited	-	114.00
IKIO Solutions Pvt Limited	-	106.50
Royalux Export Private Limited	69.79	64.79
	<b>69.79</b>	<b>285.29</b>

- These loans are interest bearing at the rate 9.50% per annum.

### 16 OTHER FINANCIAL ASSETS (CURRENT)

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - Considered Good</b>		
Security deposits	30.97	0.78
Interest accrued	77.95	6.42
	<b>108.92</b>	<b>7.20</b>

### 17 OTHER CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - Considered Good</b>		
Prepaid expense	1.82	2.46
Advances to supplier	30.30	44.47
Advance salary & wages	0.84	0.26
Balance with government authorities.	3.13	4.77
Other Advance	0.99	17.05
IPO Expenditure (refer footnote 1)	177.19	74.30
	<b>214.27</b>	<b>143.31</b>

**Note 1**

The Company is under the process of getting the approvals from Stock Exchange, once it will be received the Company will account for accordingly adjusted with Securities Premium.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 18 EQUITY SHARE CAPITAL

- a. The Company has only one class of share capital having a par value of ₹10 per share, referred to herein as equity shares.

	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
<b>Authorised Shares</b>				
Equity shares of 10 each	100000000	1,000.00	100000000	1,000.00
	<b>100000000</b>	<b>1,000.00</b>	<b>100000000</b>	<b>1,000.00</b>
<b>Issued, subscribed and fully paid-up shares</b>				
Equity shares of 10 each	77280701	772.81	65000000	650.00
	<b>77280701</b>	<b>772.81</b>	<b>65000000</b>	<b>650.00</b>

- b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year.

	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	65000000	650.00	25000000	250.00
Add: Fresh Issue of Shares	12280701	122.81	-	-
Add : Issue of Bonus Shares	-	-	40000000	400.00
<b>Shares outstanding at the end of the year</b>	<b>77280701</b>	<b>772.81</b>	<b>65000000</b>	<b>650.00</b>

- c. Terms/rights attached to equity share

### Voting

Each holder of equity shares is entitled to one vote per share held.

### Dividends

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual general meeting except in the case where interim dividend is distributed.

### Liquidation

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

- d. The Company does not have any Holding Company.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### e. Detail of shareholders holding more than 5% of equity share of the Company

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Holding in numbers	% of total equity shares	Holding in numbers	% of total equity shares
<b>Equity shares of INR 10 each fully paid up held by :-</b>				
Hardeep Singh	32999142	42.70%	38999142	60.00%
Sumeet Kaur	23000000	29.76%	26000000	40.00%

### f. Aggregate number of equity shares issued as bonus during the period of five years immediately preceding the reporting date:

Name of shareholder	As at March 31, 2024	As at March 31, 2023
	No. of Shares	No. of Shares
Equity shares allotted as fully paid bonus shares by capitalisation of reserves	64950000	64950000

### g. Details of shares held by promoters

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b>As at March 31, 2024</b>						
Equity shares of INR 10 each fully paid	Hardeep Singh	38999142	(6000000)	32999142	42.70%	(15.38%)
Equity shares of INR 10 each fully paid	Sumeet Kaur	26000000	(3000000)	23000000	29.76%	(11.54%)
<b>Total</b>		<b>64999142</b>	<b>(9000000)</b>	<b>55999142</b>	<b>72.46%</b>	
<b>As at March 31, 2023</b>						
Equity shares of INR 10 each fully paid	Hardeep Singh	14999670	23999472	38999142	60.00%	160.00%
Equity shares of INR 10 each fully paid	Sumeet Kaur	10000000	16000000	26000000	40.00%	160.00%
<b>Total</b>		<b>24999670</b>	<b>39999472</b>	<b>64999142</b>	<b>100.00%</b>	

h. No class of shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash or bought back during the period of 5 years immediately proceeding the balance sheet date.

i. The Board of Director has recommended a final dividend of ₹1/- per equity share (@10%) of face value of ₹10/- each for the financial year ended March 31, 2024 in their board meeting held on dated May 24, 2024.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 19 OTHER EQUITY

	As at March 31, 2024	As at March 31, 2023
<b>Surplus in the statement of profit and loss</b>		
Opening balance	358.88	512.46
(+) Net profit for the year	286.76	246.42
(-) Issue of Bonus share	-	(400.00)
<b>Closing balance (A)</b>	<b>645.64</b>	<b>358.88</b>
<b>Securities Premium</b>		
Opening balance	-	-
Securities Premium fro the year	3,377.19	-
<b>Closing balance (B)</b>	<b>3,377.19</b>	<b>-</b>
<b>Other comprehensive income</b>		
Opening	2.74	1.95
Add: other comprehensive income for the year	0.44	0.79
<b>Closing balance (C)</b>	<b>3.19</b>	<b>2.74</b>
<b>Total other equity (A+B+C)</b>	<b>4,026.02</b>	<b>361.62</b>

## 20 NON CURRENT BORROWINGS

	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Term loan from banks/NBFC's (refer foot note)	-	7.35
Vehicle loan (refer foot note)	0.27	3.72
<b>Total non current borrowings</b>	<b>0.27</b>	<b>11.07</b>
Less: Current maturities of non-current borrowings (included in note 23)	0.27	7.65
<b>Non-current borrowings</b>	<b>-</b>	<b>3.42</b>

The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 47

### Footnotes:-

#### For the year ended March 31, 2024

#### Secured loan

##### (i) Term Loan

##### IndusInd Bank Ltd

The Company has availed WCTL (Sanctioned Limit ₹12.60 million) from IndusInd Bank Ltd, which are secured against first and exclusive charge on the hypothecation of the entire movable fixed assets, first pari passu charge on hypothecation of all current assets (charge shared with HDFC Bank Ltd) has been repaid during the year.



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### (ii) Vehicle Loan

#### Axis Bank Limited

Vehicle Loan obtained from Axis Bank Limited amounting to ₹17.00 millions which is secured against the respective vehicle and is repayable in 48 equal instalments commencing from October 10, 2019. Rate of interest is 9.15% p.a, has been prepaid during the year.

#### HDFC Bank Limited

Vehicle Loan obtained from HDFC Bank Limited amounting to ₹1.67 millions which is secured against respective vehicle and is repayable in 39 equal instalments commencing from April 07, 2021. Rate of interest is 7.45% p.a. and balance outstanding as at March 31, 2024 is ₹0.14 millions (March 31, 2023 is ₹0.69 millions), which is repayable in next 03 months.

Vehicle Loan obtained from HDFC Bank Limited amounting to ₹1.53 millions which is secured against respective vehicle and is repayable in 39 equal instalments commencing from April 07, 2021. Rate of interest is 7.45% p.a. and balance outstanding as at March 31, 2024 is ₹0.13 millions (March 31, 2023 is ₹0.63 millions), which is repayable in next 03 months.

### For the year ended March 31, 2023

#### Secured loan

##### (i) Term Loan

#### IndusInd Bank Ltd

The Company has availed WCTL (Sanctioned Limit ₹12.60 Million) from IndusInd Bank Ltd, which are secured against first and exclusive charge on the hypothecation of the entire movable fixed assets, first pari passu charge on hypothecation of all current assets (charge shared with HDFC Bank Ltd). Also, there is a collateral guarantee in form of first and exclusive equitable mortgage of industrial land and building of the Company situated at Haridwar. Further, there is personal guarantees of Directors and one of close relative of directors.

The tenure for the loan is 36 months to be fully paid by 31<sup>st</sup> December, 2024. The loan carries floating rate of interest of MIBOR(daily)+2% at monthly rest.

##### (ii) Vehicle Loan

#### HDFC Bank Limited

Vehicle Loan obtained from HDFC Bank Limited amounting to ₹1.67 millions which is secured against respective vehicle and is repayable in 39 equal instalments commencing from April 07, 2021. Rate of interest is 7.45% p.a. and balance outstanding as at March 31, 2023 is ₹0.69 millions (March 31, 2022 is ₹1.20 millions) out of which ₹0.55 millions is repayable in next 12 months.

Vehicle Loan obtained from HDFC Bank Limited amounting to ₹1.53 millions which is secured against respective vehicle and is repayable in 39 equal instalments commencing from April 07, 2021. Rate of interest is 7.45% p.a. and balance outstanding as at March 31, 2023 is ₹0.63 millions (March 31, 2022 is ₹1.10 millions) out of which ₹0.50 millions is repayable in next 12 months.



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## Axis Bank Limited

Vehicle Loan obtained from Axis Bank Limited amounting to ₹17.00 millions which is secured against the respective vehicle and is repayable in 48 equal instalments commencing from October 10, 2019. Rate of interest is 9.15% p.a and balance outstanding as at March 31, 2023 is ₹2.40 millions (March 31, 2022 is ₹7.04 millions) out of which ₹2.40 millions is repayable in next 6 months.

## 21 LEASE LIABILITIES (NON-CURRENT)

	As at March 31, 2024	As at March 31, 2023
Lease liabilities	1.79	0.37
	<b>1.79</b>	<b>0.37</b>

## 22 PROVISIONS (NON-CURRENT)

	As at March 31, 2024	As at March 31, 2023
<b>Provision for employees benefits (refer note no 42)</b>		
Gratuity Non Current	2.23	7.14
Compensated Absences Non Current	3.42	2.51
	<b>5.65</b>	<b>9.65</b>

## 23 CURRENT BORROWINGS

	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Cash Credit	97.83	233.28
Current maturities of long-term debt	0.27	7.65
	<b>98.10</b>	<b>240.93</b>

### Footnotes:-

#### For the year ended March 31, 2024

#### Secured loan

#### Cash Credit

##### IndusInd Bank Ltd

The Company has availed cash credit facility (Sanctioned Limit ₹96.50 million) from IndusInd Bank Ltd, which are secured against first and exclusive charge on the hypothecation of the entire movable fixed assets, first pari passu charge on hypothecation of all current assets (charge shared with HDFC Bank Ltd), the limit has been paid and closed during the year.

##### HDFC Bank Ltd

The company has also availed Cash Credit facility / LC limit (Sanctioned Limit ₹250.00 million) from HDFC Bank Ltd, Which is secured against pari passu charge on hypothecation of stock and debtors. Also, there is a collateral guarantee in form of industrial property situated at Noida owned by IKIO Solutions Pvt Ltd (A Related Party). Further, there are personal guarantees of Directors.

The loan carries a floating rate of interest of 8.35% per annum (Repo rate + Spread).

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### Footnotes:-

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

#### Secured loan

#### Cash Credit

##### IndusInd Bank Ltd

The Company has availed cash credit facility (Sanctioned Limit ₹96.50 Million) from IndusInd Bank Ltd, which are secured against first and exclusive charge on the hypothecation of the entire movable fixed assets, first pari passu charge on hypothecation of all current assets (charge shared with HDFC Bank Ltd). Also, there is a collateral guarantee in form of first and exclusive equitable mortgage of industrial land and building of the Company situated at Haridwar. Further, there is personal guarantees of Directors and one of close relative of directors.

The loan carries a floating rate of interest of 7.00% per annum linked with 6 month CD.

##### HDFC Bank Ltd

The company has also availed Cash Credit facility / LC limit (Sanctioned Limit ₹250.00 Million) from HDFC Bank Ltd, Which is secured against pari passu charge on hypothecation of stock and debtors (charge shared with IndusInd Bank Ltd). Also, there is a collateral guarantee in form of industrial property situated at Noida owned by IKIO Solutions Private Limited (A Related Party). Further, there are personal guarantees of Directors.

The loan carries a floating rate of interest of 8.35% per annum (Repo rate + Spread).

## 24 LEASE LIABILITIES (CURRENT)

	As at March 31, 2024	As at March 31, 2023
Lease liabilities	2.39	1.60
	<b>2.39</b>	<b>1.60</b>

## 25 TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises	57.91	107.28
Total outstanding dues of creditors other than micro and small enterprises	76.14	74.23
	<b>134.05</b>	<b>181.51</b>

### Footnote:

Ageing Schedule for Trade Payable- March 31, 2024

Particulars	Not Due	Outstanding as at March 31, 2024 from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Year	
(i) Micro enterprises and small enterprises	57.91	-	-	-	-	57.91
(ii) Other than micro enterprises and small enterprises	23.33	51.97	0.58	0.02	0.24	76.14
(iii) Micro enterprises and small enterprises -Disputed Dues	-	-	-	-	-	-
(iv) Other than micro enterprises and small enterprises -Disputed Dues	-	-	-	-	-	-
<b>Total</b>	<b>81.24</b>	<b>51.97</b>	<b>0.58</b>	<b>0.02</b>	<b>0.24</b>	<b>134.05</b>



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### Ageing Schedule for Trade Receivables- March 31, 2023

Particulars	Not Due	Outstanding as at March 31, 2023 from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Year	
(i) Micro enterprises and small enterprises	57.91	-	-	-	-	57.91
(ii) Other than micro enterprises and small enterprises	23.33	51.97	0.58	0.02	0.24	76.14
(iii) Micro enterprises and small enterprises -Disputed Dues	-	-	-	-	-	-
(iv) Other than micro enterprises and small enterprises-Disputed Dues	-	-	-	-	-	-
<b>Total</b>	<b>81.24</b>	<b>51.97</b>	<b>0.58</b>	<b>0.02</b>	<b>0.24</b>	<b>134.05</b>

- i. For trade payables to related parties please refer note 43
- ii. Trade payables are non interest bearing.
- iii. The Company's exposure to currency and liquidity risks related to trade payables are disclosed in Note 46.
- iv. Suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006 are disclosed in Note 40

## 26 OTHER FINANCIAL LIABILITIES (CURRENT)

	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due	-	0.02
Expenses payable	3.48	4.04
Other Payables	24.67	18.09
	<b>28.15</b>	<b>22.15</b>

## 27 OTHER CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	5.61	13.67
Advance from customers	10.54	8.23
	<b>16.15</b>	<b>21.90</b>

## 28 PROVISIONS (CURRENT)

	As at March 31, 2024	As at March 31, 2023
<b>Provision for employees benefits</b>		
Gratuity	0.98	0.53
Compensated Absences	0.40	1.49
	<b>1.38</b>	<b>2.02</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 29 REVENUE FROM OPERATIONS

	Year ended March 31, 2024	Year ended March 31, 2023
Sale of product	2,409.76	2,413.59
	<b>2,409.76</b>	<b>2,413.59</b>

### 30 OTHER INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on foreign currency transactions	2.45	1.89
Interest income	188.88	14.73
Export incentive	-	0.01
Profit on sale of property, plant & equipment (net)	0.26	0.11
Reversal of expected credit loss	0.74	-
Reversal of excess provision	-	2.85
Miscellaneous income	0.09	6.72
	<b>192.42</b>	<b>26.31</b>

### 31 COST OF MATERIALS CONSUMED

	Year ended March 31, 2024	Year ended March 31, 2023
Opening stock	404.05	462.15
<b>Add:</b> Purchase	1,811.71	1,637.23
<b>Less:</b> Closing Stock	395.86	404.05
	<b>1,819.90</b>	<b>1,695.34</b>

### 32 CHANGE IN INVENTORIES

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Inventories (at closing)</b>		
- Work-in-progress.	71.41	21.01
- Finished product	12.01	17.36
	<b>83.42</b>	<b>38.37</b>
<b>Inventories (at opening)</b>		
- Work-in-progress	21.01	79.81
- Finished product	17.36	19.01
	<b>38.37</b>	<b>98.82</b>
<b>Net (decrease)/increase in inventories</b>	<b>(45.05)</b>	<b>60.45</b>

### 33 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, bonus & other allowances	190.17	143.54
Director's remuneration	28.55	28.48
Contribution to provident and other funds	15.41	10.13
Expenses related to post-employment defined benefit plans	4.00	3.29
Expenses related to compensated absences (refer note 4.3)	0.05	-
Staff welfare expenses	4.90	3.24
	<b>243.08</b>	<b>188.68</b>



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 34 FINANCE COSTS

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on borrowing	9.06	12.18
Other borrowing costs	48.69	42.89
Interest on lease liabilities	0.24	0.25
Interest On Statutory Dues	0.01	2.03
	<b>58.00</b>	<b>57.35</b>

## 35 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation and Amortisation (refer note 3 and 5)	27.40	27.22
Amortisation of Right of use Asset (refer note 4)	2.46	1.82
	<b>29.86</b>	<b>29.04</b>

## 36 OTHER EXPENSES

	Year ended March 31, 2024	Year ended March 31, 2023
Electricity charges	17.80	14.16
Legal & professional charges	24.71	9.98
Rates & taxes	2.98	8.65
Tour & travel expenses	13.54	7.39
Repair & maintenance	6.55	6.57
Lab Testing	5.39	4.65
Rent	2.88	3.34
Insurance charges	3.49	2.94
Business Promotion	4.61	2.25
Auditor remuneration (refer footnote no.1)	2.14	1.27
Corporate social responsibility expenses (refer footnote no.2)	6.60	5.85
Computer expenses	3.17	1.92
Security charges	1.38	1.33
Job work expense	1.66	1.00
Generator fuel & running expenses	1.05	0.68
Consumables Consumed	0.42	0.45
Directors' sitting fees	1.53	1.57
Sundry balance written off	1.21	0.70
Provision for Expected Credit Gain/Loss	-	1.14
Communication Expenses	0.67	0.73
Miscellaneous expenses	3.05	3.15
	<b>104.83</b>	<b>79.72</b>

### Footnotes:

#### 1. Details of Auditor remuneration (excluding goods & service tax)

	Year ended March 31, 2024	Year ended March 31, 2023
Statutory Audit	1.88	0.60
Tax Audit	-	0.30
Out of Pocket Expenses	0.26	0.37
	<b>2.14</b>	<b>1.27</b>



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 2. Corporate Social Responsibility expenses

As per section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of average net profit for the immediately preceding three financial year on Corporate Social Responsibility ('CSR') activities. The area for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the group as per the Act.

- Gross amount required to be spent by the company during the year was ₹6.60 millions.
- Amount spent during the year was ₹6.60 millions.
- There are no shortfalls at the end of the year.
- The company does not have any ongoing project as at March 31, 2024.

### 37 DISCLOSURE AS PER IND AS 33 ON 'EARNINGS PER SHARE' (EPS)

	As at March 31, 2024	As at March 31, 2023
<b>Basic and Diluted earnings per share</b>		
- Basic (₹)	3.83	3.79
- Diluted (₹)	3.83	3.79
Nominal value per share	10.00	10.00
<b>(a) Profit attributable to equity shareholders</b>		
Profit for the year	286.76	246.42
<b>Profit attributable to equity shareholders</b>	<b>286.76</b>	<b>246.42</b>
<b>(b) Weighted average number of shares used as the denominator</b>	74831272	65000000
<b>Weighted average number of equity shares for basic and diluted EPS</b>	<b>74831272</b>	<b>65000000</b>

At present, the company does not have any dilutive potential equity share.

### 38 CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	As at March 31, 2024	As at March 31, 2023
<b>Contingent Liabilities</b>		
Demand under Sales Tax for the year 2017-18 against pending C-Forms*	28.91	28.91
Corporate Guarantee Given	18.90	176.51
Demand under Income tax act not acknowledge as debt	-	2.44
Demand under Central Board of Indirect Taxes and Customs	2.07	-

\*In the view of management, the demand is not expected to be materialised as the company expects to submit the relevant C-Forms and accordingly no provision is required to be recorded.

### Capital Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Commitment(Net of Capital Advances)	18.00	4.36



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 39 LEASES

The Company is a lessee under operating lease of two premises. The Company has executed non-cancellable operating leases for a period of 2 and 3 years respectively.

### Disclosure in respect of such operating leases is as given below:

The movement in lease liabilities during the year ended is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	1.97	3.32
Addition - during the year	4.64	-
Finance cost accrued during the year	0.24	0.25
Payment of lease liabilities	(2.67)	(2.16)
Adjustment on account of modification	-	0.56
<b>Closing Balance</b>	<b>4.18</b>	<b>1.97</b>
Non-current	1.79	0.37
Current	2.39	1.60

The details of the maturities of lease liabilities at year ended are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year	2.39	1.60
Later than one year but not later than five years	1.79	0.37
Later than five years	-	-
	<b>4.18</b>	<b>1.97</b>

### Disclosure of low value and short term lease

The Company is a lessee under operating lease of two premises. The Company has executed short term operating leases for a period of 11 Months renewable as per mutual agreement. The aggregate lease rental of ₹2.88 million (March 2023: ₹3.34 million) on such leases has been charged to the Statement of Profit and Loss.

### Right-of-use (ROU) assets

The changes in the carrying value of Right-of-use assets for the year ended are as follows:

	As at March 31, 2024	As at March 31, 2023
Opening Balance	2.10	3.36
Addition - during the year	4.64	-
Depreciation of Right-of-use assets	(2.46)	(1.82)
Adjustment on account of modification	-	0.56
<b>Closing Balance</b>	<b>4.28</b>	<b>2.10</b>

The lease agreements do not have any restrictive onerous clauses, other than that those normally prevalent in similar agreements for use of assets, rent escalation, and lease renewal.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 40 DISCLOSURE RELATING TO SUPPLIERS REGISTERED UNDER MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006:

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in:		
Principal amount due to micro and small enterprises	57.91	107.28
Interest due on above		-
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the Interest specified under the MSMED 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 under section 23 of the MSMED Act 2006.	-	-

## 41 SEGMENT REPORTING

### A. Basis for Segmentation

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, and for which discrete financial information is available.

The board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any facility.

The Company's board reviews the results of each segment on a quarterly basis. The company's board of directors uses Profit after tax ('PAT') to assess the performance of the operating segments. Accordingly, there is only one reportable segment for the Company which is "Sale of Product", hence, no specific disclosures have been made.

### Entity wide disclosures

### B. Information about reportable segments

The Company deals in one business segment namely Manufacturing of LED Lighting therefore, product wise revenue disclosures are not applicable to the Company.

#### i) Information about geographical areas

Company operates primarily under a single geographic location i.e. India and accordingly, there are no separate reportable geographical segments.

### C. Revenue from Major customer

In IKIO lighting limited, Revenue generated from one customer amounting to ₹ 2175.90 Million (March 31, 2023: ₹ 2257.98 million).



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 42 EMPLOYEE BENEFITS

The Company contributes to the following post-employment defined benefit plans in India.

### 1. Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, administered and managed by the government of India. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to provident fund	15.39	8.68

### 2. Defined benefit plan:

#### Gratuity

The Company operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit. The gratuity liability is entirely funded.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognise each period of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of present value of the defined benefit obligation for gratuity were carried out as at March 31, 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

#### A. The following table set out the status of the defined benefit obligation:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Net defined benefit liability</b>		
Gratuity (funded)	3.21	7.67
<b>Total employee benefit liabilities</b>	<b>3.21</b>	<b>7.67</b>
Non-current	2.23	7.14
Current	0.98	0.53

#### B. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	As at March 31, 2024			As at March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the Year	7.67	-	7.67	5.42	-	5.42
<b>Included in profit or loss</b>			-			-
Current service cost	3.28		3.28	2.78		2.78
Interest cost (income)	0.67		0.67	0.50		0.50
	<b>3.95</b>	-	<b>3.95</b>	<b>3.28</b>	-	<b>3.28</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
<b>Included in OCI</b>						
Remeasurements loss (gain)						
Actuarial loss (gain) arising from:			-			-
Financial assumptions	0.29		0.29	0.10		0.10
Demographic assumptions			-	0.49		0.49
Experience adjustment	(0.89)		(0.89)	(1.62)		(1.62)
	<b>(0.60)</b>	<b>-</b>	<b>(0.60)</b>	<b>(1.03)</b>	<b>-</b>	<b>(1.03)</b>
<b>Other</b>						
Contributions paid by the employer	-	(8.75)	(8.75)	-	-	-
Acquisition/Business Combination/ Divestiture	0.94		0.94	-	-	-
	<b>0.94</b>	<b>(8.75)</b>	<b>(7.81)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at the end of the year</b>	<b>11.96</b>	<b>(8.75)</b>	<b>3.21</b>	<b>7.67</b>	<b>-</b>	<b>7.67</b>

Expenses recognised in the Statement of profit and loss	Year ended March 31, 2024	Year ended March 31, 2023
Service cost	3.28	2.78
Net interest cost	0.67	0.50

### C. Plan Assets

Fair value of plan assets

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Plan assets at the beginning of the year	-	-
Actual company contributions	8.75	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Plan assets at the end of the year	-	-
<b>Total</b>	<b>8.75</b>	<b>-</b>

#### a) Economic Assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the company.

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate	7.09%	7.34%
Expected rate of future salary increase	5.00%	5.00%



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

The discount rate has been assumed at March 31 2024: 7.09% (31 March, 2023: 7.34%) which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### b) Demographic assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
Retirement Age	60 Years	60 Years
Employee Turnover/ Withdrawal Rate	6%	6%
Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)

### D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amount shown below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.10)	1.32	(0.75)	0.90
Salary escalation rate (1% movement)	1.26	(1.07)	0.90	(0.78)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivities due to mortality is not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

#### Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

- i. Salary Increases- More than expected increase in the future salary levels may results in increase in the liabilities.
- ii. Discount Rate: In case of yield on the government bonds drops in the future period then it may result in increase in liability.
- iii. Withdrawals – if the actual withdrawal rate is turn out to be more or less than expected then it may result in increase in the liabilities.
- iv. Mortality - if the actual mortality rate in the future turns out to be more or less than expected then it may result increase in the liabilities.

### 4.3 RELATED PARTY DISCLOSURE

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## a) List of related parties

Relationship	Name of related party
Wholly Owned Subsidiary	*Fine Technologies (India) Private Limited (From September 12, 2022 till March 31, 2023)
	*Royalux Lighting Private Limited (Since April 01, 2023)
	IKIO Solutions Private Limited (Since September 12, 2022)
Wholly Owned Step Down Subsidiary	Royalux Lighting Private Limited (Till March 31, 2023)
	Royalux Exports Private Limited (Since September 12, 2022)
	Royalux LLC (Since November 22, 2023)
	Raina Metal Tech Private Limited
Enterprises in which key management personnel and their relatives are able to exercise significant influence <sup>#</sup>	Fine Technologies (India) Private Limited (till March 31, 2023)
	IKIO Solutions Private Limited (Till September 11, 2022)
	Royalux Lighting Private Limited (Till September 11, 2022)
	Royalux Exports Private Limited (Till September 11, 2022)
	Inko Technologies
	IKIO LED LIGHTING LLC
	Krishna Computech International Private Limited
	Mr. Hardeep Singh (Managing Director)
	Mrs. Surmeet Kaur (Whole Time Director)
	Mr. Sanjeet Singh (Director)
Mr. Subhash Chand Agrawal (Chief Financial Officer)	
Mr. Sandeep Kumar Agarwal (Company Secretary)	
Mr. Chandra Shekhar Verma (Non Executive Independent directors)	
Mr. Rohit Singhal (Non Executive Independent directors)	
Mr. Kishore Kumar Sansi (Non Executive Independent directors)	
Key Managerial Personnel (KMP's)	Mr. Hardeep Singh (Managing Director)
	Mrs. Surmeet Kaur (Whole Time Director)
	Mr. Sanjeet Singh (Director)
	Mr. Subhash Chand Agrawal (Chief Financial Officer)
	Mr. Sandeep Kumar Agarwal (Company Secretary)
	Mr. Chandra Shekhar Verma (Non Executive Independent directors)
	Mr. Rohit Singhal (Non Executive Independent directors)
	Mr. Kishore Kumar Sansi (Non Executive Independent directors)

\*Refer Note No. 51

<sup>#</sup>With whom significant transactions have been taken place during the current and/or previous year

## b) Details of related party transactions are as below:

Particular	Year ended March 31, 2024	Year ended March 31, 2023
<b>Transaction during the year</b>		
<b>Purchases &amp; others</b>		
Fine Technologies (India) Private Limited	-	264.80
Royalux Lighting Private Limited	370.51	19.40
IKIO Solutions Private Limited	0.28	-
<b>Purchases of Property, Plant and Equipment</b>		
Fine Technologies (India) Private Limited	-	13.07
Royalux Lighting Private Limited	3.74	-
<b>Short-Term Employee Benefits (refer footnote no. iii)</b>		
<b>Director's remuneration (including KMP's)</b>		
Mr. Hardeep Singh	18.72	17.37
Mrs. Surmeet Kaur	7.92	8.30
Mr. Sanjeet Singh	1.91	2.81
<b>Salary to Key Managerial Personnel (including reimbursements)</b>		
Mr. Subhash Chand Agrawal	5.00	4.00



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

Particular	Year ended March 31, 2024	Year ended March 31, 2023
Mr. Sandeep Kumar Agarwal	2.00	1.65
<b>Director Sitting fees (Non Executive Independent directors)</b>		
Mr. Chandra Shekhar Verma	0.45	0.47
Mr. Kishore Kumar Sansi	0.50	0.48
Mr. Rohit Singhal	0.58	0.63
<b>Rent expenses</b>		
Raina MetalTech Private Limited	2.16	2.26
<b>Loan given during the year</b>		
Fine Technologies (India) Private Limited	-	260.50
Royalux Lighting Private Limited	349.50	-
IKIO Solutions Private Limited	289.00	258.50
Royalux Exports Private Limited	5.00	69.79
<b>Investment in subsidiaries during the year</b>		
Royalux Lighting Private Limited	242.40	129.60
IKIO Solutions Private Limited	899.30	0.50
<b>Sale of product</b>		
Fine Technologies (India) Private Limited	-	2.45
Royalux Exports Private Limited	8.32	5.61
Royalux Lighting Private Limited	58.12	10.82
IKIO LED LIGHTING LLC	-	0.10
Krishna Computech International Private Limited	-	0.03
IKIO Solutions Private Limited	0.78	-
<b>Sale of Fixed Assets</b>		
Fine Technologies (India) Private Limited	-	0.22
Royalux Exports Private Limited	-	2.12
Royalux Lighting Private Limited	1.82	0.08
IKIO Solutions Private Limited	1.34	-
<b>Interest Income</b>		
Fine Technologies (India) Private Limited	-	10.99
Royalux Lighting Private Limited	24.16	-
IKIO Solutions Private Limited	27.94	1.56
Royalux Exports Private Limited	6.16	1.66
<b>Receipt of Loan Given</b>		
Fine Technologies (India) Private Limited	-	17.50
Royalux Lighting Private Limited	243.20	-
IKIO Solutions Private Limited	76.00	152.00
Royalux Exports Private Limited	-	9.50

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### c) Balance outstanding with or from related parties as:-

	As at March 31, 2024	As at March 31, 2023
<b>Trade receivables</b>		
Royalux Exports Private Limited	-	1.14
IKIO LED LIGHTING LLC	-	0.11
Raina MetalTech Private Limited	-	0.18
Royalux Lighting Private Limited	-	0.52
Krishna Computech International Private Limited	-	0.01
IKIO Solutions Private Limited	2.21	-
<b>Advance from Customer</b>		
Royalux Exports Private Limited	0.14	-
<b>Trade payables</b>		
Fine Technologies (India) Private Limited	-	65.99
Royalux Lighting Private Limited	13.38	-
<b>Other Receivable</b>		
Royalux Lighting Private Limited	0.99	17.05
<b>Security deposit given</b>		
Raina MetalTech Private Limited	0.36	0.36
<b>Interest accrued on loan given</b>		
Fine Technologies (India) Private Limited	-	3.52
Royalux Lighting Private Limited	6.92	-
IKIO Solutions Private Limited	26.55	1.40
Royalux Exports Private Limited	0.91	1.49
<b>Loan Given</b>		
Fine Technologies (India) Private Limited	-	243.00
Royalux Lighting Private Limited	349.30	-
IKIO Solutions Private Limited	322.00	106.50
Royalux Exports Private Limited	69.79	64.79
<b>Other payable (salary Payable)</b>		
Mr. Hardeep Singh	1.50	0.21
Mrs. Surmeet Kaur	0.10	0.66
Mr. Sanjeet Singh	0.15	0.16
Mr. Subhash Chand Agrawal	0.34	0.33
Mr. Sandeep Kumar Agarwal	0.13	0.14



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>Equitable Mortgage taken from</b>		
IKIO Solutions Private Limited	97.83	158.23
<b>Corporate Guarantee/ Personal Guarantee taken from</b>		
IKIO Solutions Private Limited	97.83	158.23
Mr. Hardeep Singh	97.83	158.23
Mrs. Surmeet Kaur	97.83	158.23
Mr. Sanjeet Singh	97.83	158.23
Mrs. Ishween Kaur	-	75.05
<b>Corporate Guarantees Given to</b>		
IKIO Solutions Private Limited	18.90	144.85
Fine Technologies (India) Private Limited	-	31.66

## Terms and conditions of transactions with the related parties

- i. The terms and conditions of the transactions with key management personnel were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.
- ii. All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash. None of the balances are secured.
- iii. Provision for incremental gratuity liability and leave encashment for the current year in respect of key management personnels has not been considered above, since the provision is based on a actuarial basis for the Company as a whole.

## 44 EARNINGS IN FOREIGN CURRENCY

	Year ended March 31, 2024	Year ended March 31, 2023
F.O.B. value of exports	19.93	4.19

## 45 EXPENDITURE IN FOREIGN CURRENCY

	Year ended March 31, 2024	Year ended March 31, 2023
Property, Plant and Equipment	5.68	1.48
Raw material	841.75	819.60

## 46 FAIR VALUE MEASUREMENT AND FINANCIAL INSTRUMENTS

### a) Financial instruments - by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their level in the fair value hierarchy.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### As at March 31, 2024

Particular	Carrying Value				Fair value measurement using		
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Loans	-	-	671.30	671.30	-	-	-
Other- Security deposit	-	-	2.47	2.47	-	-	-
<b>Current</b>							
Trade receivables	-	-	217.01	217.01	-	-	-
Cash and cash equivalents	-	-	87.51	87.51	-	-	-
Bank Balances Other than Cash & Cash Equivalents)	-	-	1,757.05	1,757.05	-	-	-
Loans	-	-	69.79	69.79	-	-	-
Others	-	-	108.92	108.92	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,914.05</b>	<b>2,914.05</b>			
<b>Financial liabilities</b>							
<b>Non-current</b>							
Borrowings	-	-	-	-	-	-	-
Lease liabilities	-	-	1.79	1.79	-	-	-
<b>Current</b>							
Borrowings	-	-	98.10	98.10	-	-	-
Lease liabilities	-	-	2.39	2.39	-	-	-
Trade payables	-	-	134.05	134.05	-	-	-
Other financial liabilities	-	-	28.15	28.15	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>264.48</b>	<b>264.48</b>			

### As at March 31, 2023

Particular	Carrying Value				Fair value measurement using		
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Loans	-	-	129.00	129.00	-	-	-
Other- Security deposit	-	-	1.60	1.60	-	-	-
<b>Current</b>							
Trade receivables	-	-	163.10	163.10	-	-	-
Cash and cash equivalents	-	-	0.70	0.70	-	-	-
Bank Balances Other than Cash & Cash Equivalents)	-	-	-	-	-	-	-
Loans	-	-	285.29	285.29	-	-	-
Others	-	-	7.20	7.20	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>586.89</b>	<b>586.89</b>			
<b>Financial liabilities</b>							
<b>Non-current</b>							
Borrowings	-	-	3.42	3.42	-	-	-
Lease liabilities	-	-	0.37	0.37	-	-	-
<b>Current</b>							
Borrowings	-	-	240.93	240.93	-	-	-
Lease liabilities	-	-	1.60	1.60	-	-	-
Trade payables	-	-	181.51	181.51	-	-	-
Other financial liabilities	-	-	22.15	22.15	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>449.98</b>	<b>449.98</b>			



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

Level 1: It includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

The Company's borrowings have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) which approximates fair value.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. Fair value of non-current financial assets which includes bank deposits (due for maturity after twelve months from the reporting date) and security deposits is similar to the carrying value as there is no significant differences between carrying value and fair value.

The fair value for security deposits were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

## Valuation processes

The Management performs the valuations of financial assets and liabilities required for financial reporting purposes on a periodic basis, including level 3 fair values.

## b) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk

## Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have authorised senior management to establish the processes and ensure control over risks through the mechanism of properly defined framework in line with the businesses of the company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has policies covering specific areas, such as interest rate risk, foreign currency risk, other price risk, credit risk, liquidity risk, and the use of derivative and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis.



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### i. Credit risk

**The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet**

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables	217.01	163.10
Cash and cash equivalents	87.51	0.70
Bank balances other than cash and cash equivalents	1,757.05	-
Loans	69.79	285.29
Others	108.92	7.20

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's credit risk is primarily to the amount due from customer and investments. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with scheduled commercial banks with high credit ratings assigned by domestic credit rating agencies.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Company does monitor the economic environment in which it operates. The Company manages its Credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

On adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivable. The management uses a simplified approach (i.e. based on lifetime ECL) for the purpose of impairment loss allowance.

#### Movement in the allowance for impairment in respect of trade receivables:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	1.44	0.30
Impairment loss recognised / (reversed)	(0.74)	1.14
Amount written off	-	-
<b>Balance at the end</b>	<b>0.70</b>	<b>1.44</b>

### ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash (including bank deposits under lien and excluding interest accrued but not due) of ₹1,844.56 millions as at March 31, 2024 (March 31, 2023 ₹0.70 millions) and the anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business.



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and funding from group companies to meet its liquidity requirements in the short and long term.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

#### As At March 31, 2024

	Carrying Amount	Contractual cash flows			Total
		Less than one Year	Between one year to five years	More than five year	
<b>Non Current</b>					
Non current borrowings	-	-	-	-	-
Lease liabilities	1.79	-	1.79	-	1.79
<b>Current</b>					
Borrowings	98.10	98.10	-	-	98.10
Lease liabilities	2.39	2.39	-	-	2.39
Trade payables	134.05	133.21	0.84	-	134.05
Other financial liabilities	28.15	28.15	-	-	28.15
<b>Total</b>	<b>264.48</b>	<b>261.85</b>	<b>2.63</b>	<b>-</b>	<b>264.48</b>

#### As At March 31, 2023

	Carrying Amount	Contractual cash flows			Total
		Less than one Year	Between one year to five years	More than five year	
<b>Non Current</b>					
Non current borrowings	3.42	-	3.42	-	3.42
Lease liabilities	0.37	-	0.37	-	0.37
<b>Current</b>					
Borrowings	240.93	240.93	-	-	240.93
Lease liabilities	1.60	1.60	-	-	1.60
Trade payables	181.51	181.14	0.37	-	181.51
Other financial liabilities	22.15	22.15	-	-	22.15
<b>Total</b>	<b>449.98</b>	<b>445.82</b>	<b>4.16</b>	<b>-</b>	<b>449.98</b>

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### iii. Market Risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, the Company mainly has exposure to two type of market risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows to the extent of earnings and expenses in foreign currencies. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

#### Exposure to currency risk

The summary of quantitative data about the company exposure to currency risk, as expressed in Indian Rupees as at March 31, 2024 and March 31, 2023

Particular	As at March 31, 2024			
	Currency	Amount	Currency	Amount
<b>Financial Assets</b>				
Trade Receivables	INR	39.70	USD	0.48
<b>Financial Liabilities</b>				
Trade Payable	INR	10.60	USD	0.13

Particular	As at March 31, 2023			
	Currency	Amount	Currency	Amount
<b>Financial Assets</b>				
Trade Receivables	INR	2.93	USD	0.04
<b>Financial Liabilities</b>				
Trade Payable	INR	32.70	USD	0.40

#### Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

#### Exposure to interest rate risk

The Company's interest rate risk arises majorly from the term loans from banks carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments	As at March 31, 2024	As at March 31, 2023
Term Loan	-	7.35
Cash Credit	97.83	233.28
	<b>97.83</b>	<b>240.63</b>



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particular	Profit & Loss		Equity, Net of Tax	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
<b>Interest on term loans from banks</b>				
For the period ended March 31,2024	(0.49)	0.49	(0.37)	0.37
For the period ended March 31,2023	(1.20)	1.20	(0.90)	0.90

## 47 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

The Company monitors capital on the basis of the debt to total equity, which is calculated as interest-bearing debts divided by total equity (equity attributable to owners of the parent).

Particular	As at March 31, 2024	As at March 31, 2023
Borrowings	98.10	244.35
Less : Cash and cash equivalent	(87.51)	(0.70)
<b>Adjusted net debt (A)</b>	<b>10.59</b>	<b>243.65</b>
Total equity (B)	4,798.83	1,011.62
<b>Adjusted net debt to total equity ratio (A/B)</b>	<b>0.00</b>	<b>0.24</b>

## 48 RATIO ANALYSIS DISCLOSURE

Ratios	Formula	As at March 31, 2024		As at March 31, 2023		% change
		Amount	Ratios	Amount	Ratios	
Current Ratio (Refer note i)	Current Assets	2,933.93	10.47	1,043.22	2.22	371.82%
	Current Liabilities	280.22		470.11		
Debt Equity Ratio (Refer note ii)	Total Debt	98.10	0.02	244.35	0.24	(91.54%)
	Total Shareholders Equity	4,798.83		1,011.62		
Debt Service Coverage Ratio (Refer note iii)	Earnings available for debt services	479.16	3.02	415.71	1.39	118.10%
	Debt services*1	158.49		299.88		
Return on Equity Ratio (Refer note iv)	Net Profit to Equity Shareholder's*2	287.20	0.10	247.21	0.28	(64.49%)
	Average shareholder's equity	2,905.22		888.02		
Inventory Turnover Ratio	Cost of Goods Sold	1,774.84	3.85	1,755.79	3.49	10.17%
	Average Inventory	461.50		502.99		
Trade Receivable Turnover Ratio	Credit Sales	2,409.76	12.68	2,413.59	11.42	11.05%
	Average Account Receivables	190.05		211.39		

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

Ratios	Formula	As at March 31, 2024		As at March 31, 2023		% change
		Amount	Ratios	Amount	Ratios	
Trade Payable Turnover Ratio	Credit Purchases	1,811.71	11.48	1,637.23	10.18	12.84%
	Average Account Payables	157.78		160.89		
Net Capital Turnover Ratio (Refer Note v)	Sales	2,409.76	1.49	2,413.59	2.77	(46.08%)
	Average Working Capital	1,613.41		871.32		
Net Profit Ratio	Net Profit	286.76	0.12	246.42	0.10	16.55%
	Sales	2,409.76		2,413.59		
Return on Capital Employed (pre tax) (Refer note vi)	EBIT*100	449.56	0.09	386.67	0.31	(70.18%)
	Capital Employed	4,896.93		1,255.97		

\*1 Finance Cost+Short term debt(including current maturities of long term debt)+ Current Lease Liability

\*2 Net Profit after Taxes

Notes:-

- Current Ratio:- Increased due to IPO proceeds received and invested in current Fixed Deposits and repayment of current borrowings in the current year.
- Debt Equity Ratio: - In current year there was fresh issue of shares which increase equity of the company, proceeds from issue were used for repayment of loans.
- Debt Service Coverage Ratio:- The Ratio has increased due to repayment in borrowings from IPO proceeds.
- Return on Equity Ratio:- Equity raised in IPO, not yet utilised and has not starting earning yet, which resulted decrease in ROE.
- Net Capital Turnover Ratio:- The ratio has decreased mainly due to increase in average working capital which includes unutilised IPO money, parked in term deposits and interest accrued thereon.
- Return on Capital Employed (pre tax):- Equity raised in IPO, not yet utilised and has not starting earning yet, which resulted decrease in ROCE.

### 49 DEFERRED TAX ASSET (NET)

#### A. Amounts recognised in Profit or Loss

	As at March 31, 2024	As at March 31, 2023
<b>Current tax expense</b>		
Current year	105.19	85.56
Adjustment for prior years	0.35	0.05
	<b>105.54</b>	<b>85.61</b>
<b>Deferred tax charge/credit</b>		
Change in recognised temporary differences	(0.74)	(2.71)
<b>Total Tax Expense</b>	<b>104.80</b>	<b>82.90</b>

#### B. Amounts recognised in Other Comprehensive Income

Particulars	As at March 31, 2024			As at March 31, 2023		
	Before Tax	Tax	Net of Tax	Before Tax	Tax	Net of Tax
Remeasurements of defined benefit liability	0.59	(0.15)	0.44	1.05	(0.26)	0.79



## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### C. Reconciliation of effective tax rate

Particulars	As at March 31, 2024		As at March 31, 2023	
	Rate	Amount	Rate	Amount
<b>Profit before tax</b>	25.17%	391.56	25.17%	329.32
Tax using the Company's domestic tax rate (A)		98.55		82.88
<b>Tax effect of:</b>				
Non-deductible expenses		(7.27)		(3.16)
Non-taxable income		0.61		0.48
Others		0.02		-
Deferred Tax		0.74		2.71
Prior year errors/adjustment		(0.35)		(0.05)
<b>Total (B)</b>		<b>(6.25)</b>		<b>(0.02)</b>
<b>(A)-(B)</b>		<b>104.80</b>		<b>82.90</b>

### D. Movement in deferred tax balances

Particular	As at April 01, 2023	Recognised in PL	Recognised in OCI	As at March 31, 2024
<b>Deferred Tax Assets</b>				
Property, plant and equipment and intangibles	3.31	1.94	-	5.25
Employee benefits	2.94	(1.02)	(0.15)	1.77
Lease liabilities	0.50	0.55		1.05
Trade Receivables	0.36	(0.18)		0.17
<b>Sub- Total (a)</b>	<b>7.11</b>	<b>1.29</b>	<b>(0.15)</b>	<b>8.25</b>
<b>Deferred Tax Liabilities</b>				
Right of use assets	(0.53)	(0.55)	-	(1.08)
Other financial assets	0.01	(0.01)	-	-
<b>Sub- Total (b)</b>	<b>(0.53)</b>	<b>(0.56)</b>	<b>-</b>	<b>(1.08)</b>
<b>Net Deferred Tax Asset (a)+(b)</b>	<b>6.59</b>	<b>0.73</b>	<b>(0.15)</b>	<b>7.17</b>

Particular	As at April 01, 2022	Recognised in PL	Recognised in OCI	As at March 31, 2023
<b>Deferred Tax Assets</b>				
Property, plant and equipment and intangibles	2.73	0.58	-	3.31
Employee benefits	3.10	0.11	(0.26)	2.94
Lease liabilities	(0.83)	1.33		0.50
Other financial liabilities				
<b>Sub- Total (a)</b>	<b>5.00</b>	<b>2.01</b>	<b>(0.26)</b>	<b>6.75</b>
<b>Deferred Tax Liabilities</b>				
Right of use assets	(0.85)	0.32		(0.53)
Other financial assets	-	0.01		0.01
Trade Receivables	-	0.36		0.36
<b>Sub- Total (b)</b>	<b>(0.85)</b>	<b>0.69</b>	<b>-</b>	<b>(0.16)</b>
<b>Net Deferred Tax Asset (a)+(b)</b>	<b>4.15</b>	<b>2.71</b>	<b>(0.26)</b>	<b>6.58</b>



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 50 DETAILS WITH RESPECT TO THE BENAMI PROPERTIES:

No proceedings have been initiated or pending against the entity under the Benami Transactions (prohibition) Act, 1988 for the year ended March 31, 2024 and year ended March 31, 2023.

## 51 SCHEME OF AMALGAMATION OF FINE TECHNOLOGIES (INDIA) PRIVATE LIMITED WITH ROYALUX LIGHTING PRIVATE LIMITED

Pursuant to and in terms of the Scheme of Amalgamation by and among Fine Technologies (India) Private Limited (Subsidiary Company) as Transferor Company, Royalux Lighting Private Limited as Transferee Company (Step Down Subsidiary Company), under Sections 233 of the Companies Act, 2013, and other applicable provisions of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Scheme"), which was approved by the Regional Director (NR) vide its order dated March 18, 2024 which came into effect from April 01, 2023:

- As per the approved scheme, existing shareholders of Fine Technologies (India) Private Limited will receive 69 equity shares of Transferee Company for every 1 equity share held in Transferor Company as a purchase consideration.
- The Transferee Company issued and allotted, an aggregate of 16538265 fully paid-up equity shares of ₹10/- each, to the Company on April 20, 2024.
- Pursuant to the scheme, Royalux Lighting Private Limited becomes a Wholly Owned Subsidiary of the Company.

## 52 UNDISCLOSED INCOME

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

## 53 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

Profit or loss on transactions involving Crypto currency or Virtual Currency	No transaction during the year
Amount of currency held as at the reporting date	No transaction during the year
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No transaction during the year

## 54 DISCLOSURE UNDER RULE 11(E) AND RULE 11(F) OF THE COMPANIES (AUDIT AND AUDITORS) RULES, 2014

### (a) Year ended March 31, 2024

Date of Funds Given	Amount of Fund given to intermediary party	Details of each intermediary parties	Date of funds further invested	Amount of fund further invested in other ultimate beneficiaries	Details of Ultimate Beneficiaries
i October 20, 2023	79.83 million	IKIO Solutions Private Limited	November 22, 2023	0.08 million	Royalux LLC
ii December 20, 2023	120.44 million	IKIO Solutions Private Limited	December 22, 2023	74.72 million	Royalux LLC



# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## Year ended March 31, 2023

Date of Funds Given	Amount of Fund given to intermediary party	Details of each intermediary parties*	Date of funds further invested	Amount of fund further invested in other ultimate beneficiaries	Details of Ultimate Beneficiaries
September 12, 2022	189.00	Fine Technologies (India) Private Limited	September 12, 2022	189.00	i) Mr. Hardeep Singh, ii) Mr. Sanjeet Singh, iii) Mrs. Surmeet Kaur

\* Refer note no.51

(b) During the year the company has invested in the subsidiaries of ₹1141.70 million out of money raised through IPO (including share premium).

## 55 WILFUL DEFAULTER:

No bank or financial institution has declared the company as "Wilful defaulter".

## 56 A. RELATIONSHIP WITH STRUCK OFF COMPANIES:

No transaction has been made with the company struck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2024 and year ended March 31, 2023.

## B. REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES:

All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done. No registration or satisfaction is pending for the year ended March 31, 2024 and year ended March 31, 2023.

## 57 RECONCILIATION BETWEEN THE OPENING AND CLOSING BALANCES IN THE BALANCE SHEET FOR LIABILITIES ARISING FROM FINANCING ACTIVITIES:

	Non Current Borrowings (including Current Maturities)	Current Borrowings	Lease Liabilities
<b>For the year ended March 31, 2024</b>			
Balance as at April 1, 2023	11.07	233.28	1.97
Loan draws (in cash)/interest accrued during the year	-	4,664.80	4.88
Loan repayments/interest payment during the year	(10.80)	(4,800.25)	(2.67)
<b>Balance as at March 31, 2024</b>	<b>0.27</b>	<b>97.83</b>	<b>4.18</b>
<b>For the year ended March 31, 2023</b>			
Balance as at April 1, 2022	20.89	137.41	3.32
Loan draws (in cash)/interest accrued during the year	-	6,646.37	0.25
Loan repayments/interest payment during the year	(9.82)	(6,550.50)	(2.16)
Adjustment on account of modification	-	-	0.56
<b>Balance as at March 31, 2023</b>	<b>11.07</b>	<b>233.28</b>	<b>1.97</b>

## 58 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES:

Where the company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies Act (Restriction on number of Layers) Rules, 2017.

## Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 59 LOAN OR ADVANCES GRANTED TO THE PROMOTERS, DIRECTORS AND KMPs AND THE RELATED PARTIES:

No loan or advances in the nature of loans are granted to the promoters, directors, key managerial persons and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are:

- a) Repayable on demand or
- b) Without specifying any terms or period of repayment

60 Figures less than ₹5000 are disclosed as 0.00

61 Previous year's figures have been regrouped / reclassified as per the current year presentation for the purpose of comparability.

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

**For BGJC & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 003304N/N500056

**Pranav Jain**  
Partner  
Membership No. 098308

Place: Noida  
Date: May 24, 2024

**For and on behalf of the Board of Directors of  
IKIO Lighting Limited**

**Hardeep Singh**  
Managing Director  
DIN: 00118729

**Subhash Agrawal**  
Chief Financial Officer

**Surmeet Kaur**  
Whole Time Director  
DIN: 00118695

**Sandeep Agarwal**  
Company Secretary  
M. No.: A66255

# **Consolidated Financial Statements**

# Independent Auditor's Report

To

**The Members of  
IKIO Lighting Limited**

**Report on the Audit of Consolidated Financial  
Statements**

## OPINION

We have audited the accompanying consolidated financial statements of IKIO Lighting Limited (the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), which comprise the consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated profit, total consolidated comprehensive income, the consolidated changes in equity and consolidated cash flows for the year ended on that date.

## BASIS FOR OPINION

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

that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report for the financial year 2023-24 but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with Ind AS and other



accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of the 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 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group is responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intends to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 financial controls 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 and its subsidiary companies which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



## Independent Auditor's Report (Contd.)

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

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

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

### OTHER MATTERS

1. We did not audit the financial statements and other financial information of one step down subsidiary whose Group's share of Net assets is ₹74.99 million and of total comprehensive loss is ₹0.12 million for the year ended March 31, 2024, has been considered in the financial statements.

Our opinion is not modified in respect of this matter.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the paragraph 3(xxii) of Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, based on our audit and on the consideration of our report on the separate financial statement of subsidiary companies incorporated in India, we give in the 'Annexure 1' a statement on the matters specified in paragraph 3(xxii) of the Order.

- (1) 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 of aforesaid consolidated financial statements;

- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Holding Company so far as it appears from our examination of those books;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
- e. On the basis of written representations received from the directors of the Holding Company and Subsidiary Companies as on March 31, 2024, and taken on record by the respective Board of Directors, none of the directors of the Holding Company and its Subsidiary Companies are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting and operating effectiveness of such controls of the Consolidated Financial Statements, we give our separate Report in "Annexure 2".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Holding Company and its subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act;



- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Holding Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 39 on Contingent Liabilities to the consolidated financial statements;
  - (ii) The Group did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.
  - (iv) a. The Management of the Holding Company and its subsidiaries has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - b. The Management of the Holding Company and its subsidiaries has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or its Subsidiaries, from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - c. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
  - (v) As stated in Note 18 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend report. The Company has not paid any dividend during the year and until the date of this report.
  - (vi) Based on our examination which included test checks, except for the instances mentioned below, the Holding Company and its subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit-log) facility and the same have operated throughout the year for all relevant transactions recorded in the software.
    - a. In case of the Holding Company and its three subsidiary companies incorporated in India, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account relating to payroll of the accounting software used for maintaining general ledger.

- b. In case of the one Subsidiary Company incorporated in India, the feature of recording audit trail (edit log) facility was not enabled.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with where the feature of recording audit trail was enabled.

The Financial statements of a Step-down subsidiary that is not material to the consolidated financial statement of the Group, have not been audited under the provisions of the Act as of the date of this report. Therefore, we are unable to comment on the reporting requirement under Rule 11(g) of the Companies (Audit and Auditor) Rules, 2014 in respect of such step down subsidiary.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For BGJC & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. 003304N/N500056

**Pranav Jain**

Partner

Date: May 24, 2024

Membership No. 098308

Place: Noida

UDIN: 24098308BKCQBK1585



## Annexure 1 referred to in paragraph 1 under the heading “report on other legal and regulatory requirements” of our report of even date

IKIO Lighting Limited (formerly IKIO Lighting Private Limited) (“the Company”). In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, and based on the consideration of reports of subsidiary companies incorporated in India, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

<b>S. No.</b>	<b>Name</b>	<b>CIN</b>	<b>Relation</b>	<b>Clause number of the CARO report which is qualified or is adverse</b>
1	IKIO Lighting Limited	L31401DL2016PLC292884	Holding Company	vii(b)
2	Royalux Lighting Private Limited	U31906DL2022PTC395429	Subsidiary	vii(b)

**For BGJC & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. 003304N/N500056

**Pranav Jain**

Partner

Membership No. 098308

UDIN: 24098308BKCQBK1585

Date: May 24, 2024

Place: Noida

## Annexure 2 to the Independent Auditor's Report

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of IKIO Lighting Limited (formerly IKIO Lighting Private Limited) on the consolidated financial statements for the year ended March 31, 2024]

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

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of IKIO Lighting Limited (formerly IKIO Lighting Private Limited) ("the Holding Company"), its subsidiaries (together referred to as the "Group") whose audit reports have been provided to us and which are companies incorporated in India.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Holding Company's and its Subsidiary Companies internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the

extent applicable to an audit of internal financial controls, both issued by 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and its Subsidiary Companies' internal financial controls system over financial reporting.

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## OTHER MATTERS

The Financial statements of a Step-down subsidiary incorporated outside India that is not material to the consolidated financial statement of the Group, have not been audited under the provisions of the Act as of the date of this report. Therefore, we are unable to comment on the reporting requirement on Internal Financial Controls over Financial Reporting in respect of such step-down subsidiary.

## OPINION

In our opinion, the Holding Company and its subsidiaries which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For BGJC & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. 003304N/N500056

**Pranav Jain**

Partner

Date: May 24, 2024

Membership No. 098308

Place: Noida

UDIN: 24098308BKCQBK1585



# Consolidated Balance Sheet

as at March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	560.51	313.08
Right of use assets	4	491.01	331.06
Capital work-in-progress	5	715.59	269.01
Goodwill	6	4.94	4.94
Other intangible assets	7	1.04	0.82
<b>Financial assets</b>			
(i) Other financial assets	8	12.13	5.80
Deferred tax assets (Net)	9	23.33	12.84
Non Current Tax asset (Net)	10	36.18	6.41
Other non current assets	11	143.09	27.46
<b>Total non-current assets</b>		<b>1,987.82</b>	<b>971.42</b>
<b>Current assets</b>			
Inventories	12	1,351.63	1,206.26
<b>Financial assets</b>			
(i) Trade receivables	13	968.79	726.84
(ii) Cash and cash equivalents	14	140.80	23.06
(iii) Bank balances other than (ii) above	15	1,769.29	7.05
(iv) Other financial assets	16	80.83	3.52
Other current assets	17	277.84	171.46
<b>Total current assets</b>		<b>4,589.18</b>	<b>2,138.19</b>
<b>Total assets</b>		<b>6,577.00</b>	<b>3,109.61</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	18	772.81	650.00
Other equity	19	4,755.25	771.61
<b>Total equity</b>		<b>5,528.06</b>	<b>1,421.61</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	20	25.88	11.78
(ii) Lease liabilities	21	213.26	77.92
Provisions	22	10.94	23.45
<b>Total non-current liabilities</b>		<b>250.08</b>	<b>113.15</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	23	425.90	1,135.41
(ii) Lease liabilities	24	38.24	2.45
(iii) Trade payables	25		
- Total outstanding dues of micro and small enterprises; and		62.10	88.30
- Total outstanding dues of creditors other than micro and small enterprises		151.53	152.38
(iv) Other financial liabilities	26	76.06	109.65
Other current liabilities	27	37.24	60.79
Provisions	28	3.33	3.16
Current Tax Liabilities (Net)	29	4.46	22.71
<b>Total current liabilities</b>		<b>798.86</b>	<b>1,574.85</b>
<b>Total liabilities</b>		<b>1,048.94</b>	<b>1,688.00</b>
<b>Total equity and liabilities</b>		<b>6,577.00</b>	<b>3,109.61</b>

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

**For BGJC & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 003304N/N500056

**Pranav Jain**  
Partner  
Membership No. 098308

Place: Noida  
Date: May 24, 2024

**For and on behalf of the Board of Directors of  
IKIO Lighting Limited**

**Hardeep Singh**  
Managing Director  
DIN: 00118729

**Subhash Agrawal**  
Chief Financial Officer

**Surmeet Kaur**  
Whole Time Director  
DIN: 00118695

**Sandeep Agarwal**  
Company Secretary  
M. No.: A66255



# Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	30	4,379.53	3,587.65
Other income	31	153.46	31.67
<b>Total Income</b>		<b>4,532.99</b>	<b>3,619.32</b>
<b>Expenses</b>			
Cost of materials consumed	32	2,667.26	2,253.62
Change in inventories	33	(82.85)	48.96
Employee benefits expense	34	501.89	308.20
Finance costs	35	115.57	90.36
Depreciation and amortisation expense	36	120.00	57.87
Other expenses	37	366.02	202.06
<b>Total expenses</b>		<b>3,687.89</b>	<b>2,961.07</b>
<b>Profit before tax</b>		<b>845.10</b>	<b>658.25</b>
<b>Tax Expenses</b>			
	50		
Current tax (Including earlier years)		242.73	162.99
Deferred tax credit		(3.34)	(5.12)
		<b>239.39</b>	<b>157.87</b>
<b>Profit after tax</b>		<b>605.71</b>	<b>500.38</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Remeasurement of defined benefit plans		1.97	1.90
- Income tax relating to these items		(0.49)	(0.40)
<b>Other comprehensive income for the year, net of tax</b>		<b>1.48</b>	<b>1.50</b>
<b>Total comprehensive income for the year</b>		<b>607.19</b>	<b>501.88</b>
<b>Earnings per equity share:</b>			
	38		
Nominal value of ₹10 each (previous year ₹10 each)			
- Basic (₹)		8.09	7.70
- Diluted (₹)		8.09	7.70

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

**For BGJC & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 003304N/N500056

**Pranav Jain**  
Partner  
Membership No. 098308

Place: Noida  
Date: May 24, 2024

**For and on behalf of the Board of Directors of  
IKIO Lighting Limited**

**Hardeep Singh**  
Managing Director  
DIN: 00118729

**Subhash Agrawal**  
Chief Financial Officer

**Surmeet Kaur**  
Whole Time Director  
DIN: 00118695

**Sandeep Agarwal**  
Company Secretary  
M. No.: A66255

## Consolidated Cash flow Statement

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

		Year ended March 31, 2024	Year ended March 31, 2023
<b>A. Cash flow from operating activities</b>			
Net profit before tax		845.10	658.25
<b>Adjustments for:</b>			
Depreciation and amortisation expenses		120.00	57.87
Gain on reversal of expected credit loss		(4.39)	(2.29)
Finance costs		115.57	85.24
Interest Income		(131.84)	(0.86)
Export incentive		-	(0.01)
Gain on derecognition of lease		-	(2.18)
Finance income on amortisation of security deposit		(0.17)	(0.10)
Loss / (Gain) on sale of property, plant and equipment (net)		1.31	(0.11)
Provisions no longer required written back		-	(2.85)
Sundry balance written off		2.42	6.15
Unrealised foreign exchange loss (net)		(14.86)	(16.48)
<b>Operating profit before working capital changes and other adjustments</b>		<b>933.14</b>	<b>782.63</b>
<b>Working capital changes and other adjustments:</b>			
Inventories		(145.37)	49.58
Trade receivables		(225.12)	181.10
Other financial assets		(39.86)	(4.42)
Other current assets		(169.74)	41.20
Trade payables		(27.05)	(271.87)
Other financial liabilities		(44.85)	37.56
Other current liabilities		(23.66)	(62.12)
Provisions		(12.34)	4.27
<b>Cash generated from operations</b>		<b>245.15</b>	<b>757.93</b>
Income tax paid (net of refunds)		(297.17)	(189.79)
<b>Net cash (used in) / generated from operating activities</b>	<b>(A)</b>	<b>(52.02)</b>	<b>568.14</b>
<b>B. Cash flow from investing activities:</b>			
Purchase of property, plant and equipment (including intangible assets and capital advance)		(837.02)	(196.50)
Sale of property, plant and equipment and intangible assets		24.11	2.49
Acquisition of investment in subsidiaries		-	(319.35)
Movement in fixed deposit		(1,762.24)	14.02
Interest received		88.23	0.82
<b>Net cash used in investing activities</b>	<b>(B)</b>	<b>(2,486.92)</b>	<b>(498.52)</b>
<b>C. Cash flow from financing activities:</b>			
Proceeds from issue of Share Capital (Including Security Premium)		3,500.00	-
Decrease in long term borrowings from banks		(141.17)	(85.06)
(Decrease)/Increase in short term borrowings from banks		(454.06)	101.38
Increase in long term borrowings from Directors and KMPs		0.20	17.08
Decrease in short term borrowings from corporate and others		(100.38)	(19.28)
Payment of lease liabilities		(52.19)	(11.09)
Interest paid		(95.72)	(80.48)



# Consolidated Cash flow Statement

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

		Year ended March 31, 2024	Year ended March 31, 2023
<b>Net cash generated from / (used in) financing activities</b>	<b>(C)</b>	<b>2,656.68</b>	<b>(77.45)</b>
Cash and cash equivalents acquired pursuant to business combination	(D)	-	24.39
<b>Increase in cash and cash equivalents, net</b>	<b>(A+B+C+D)</b>	<b>117.74</b>	<b>16.56</b>
<b>Cash and cash equivalents at the beginning of the year</b>		23.06	6.50
<b>Cash and cash equivalents at the end of the year</b>		<b>140.80</b>	<b>23.06</b>
<b>Notes to cash flow statement</b>			
<b>(i) Components of Cash and cash equivalents</b>			
<b>Balances with banks:</b>			
- On current accounts		80.25	20.95
Cash on hand		0.55	2.11
Fixed deposits with original maturity of 3 months or less		60.00	-
		<b>140.80</b>	<b>23.06</b>
(ii) The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Cash Flow Statements.			
(iii) Notes to the Financials Statements are integral part of the Cash Flow Statement.			

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

**For BGJC & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 003304N/N500056

**Pranav Jain**  
Partner  
Membership No. 098308

Place: Noida  
Date: May 24, 2024

**For and on behalf of the Board of Directors of  
IKIO Lighting Limited**

**Hardeep Singh**  
Managing Director  
DIN: 00118729

**Subhash Agrawal**  
Chief Financial Officer

**Surmeet Kaur**  
Whole Time Director  
DIN: 00118695

**Sandeep Agarwal**  
Company Secretary  
M. No.: A66255

## Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### A. EQUITY SHARE CAPITAL\*

Particulars	Amount
<b>Balance as at April 01, 2022</b>	<b>250.00</b>
Issue of Bonus Shares during the year	400.00
<b>Balance as at March 31, 2023</b>	<b>650.00</b>
Shares issue during the year	122.81
<b>Balance as at March 31, 2024</b>	<b>772.81</b>

### B. OTHER EQUITY\*

Particulars	Reserve and Surplus			Other components of equity		Total other equity
	Securities Premium	Capital Reserve	Retained Earnings	Remeasurement of defined benefit plans	Currency translation reserve	
<b>Balance as at April 01, 2022</b>	-	-	<b>512.46</b>	<b>1.95</b>	-	<b>514.41</b>
Profit for the year	-	-	500.38	-	-	500.38
Other comprehensive income	-	-	-	1.50	-	1.50
Capital reserve created on acquisition of subsidiaries	-	155.32	-	-	-	155.32
<b>Total Comprehensive Income</b>	-	<b>155.32</b>	<b>500.38</b>	<b>1.50</b>	-	<b>657.20</b>
Issue of bonus shares	-	-	(400.00)	-	-	(400.00)
<b>Balance as at March 31, 2023</b>	-	<b>155.32</b>	<b>612.84</b>	<b>3.45</b>	-	<b>771.61</b>
Profit for the year	-	-	605.71	1.48	-	607.19
Other comprehensive income	-	-	-	-	(0.74)	(0.74)
<b>Total Comprehensive Income</b>	-	-	<b>605.71</b>	<b>1.48</b>	<b>(0.74)</b>	<b>606.45</b>
Issue of shares on premium	3,377.19	-	-	-	-	3,377.19
<b>Balance as at March 31, 2024</b>	<b>3,377.19</b>	<b>155.32</b>	<b>1,218.55</b>	<b>4.93</b>	<b>(0.74)</b>	<b>4,755.25</b>



# Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## Nature and Purpose of Other Equity

### (a) Securities Premium

Securities Premium represents the amount received over and above face value of equity shares is recognised in Securities premium.

### (b) General Reserve

The General Reserve represents free reserves being an appropriation of profit/retained earnings and kept aside to meet the future requirements as and when they arise. Mandatory transfer to general reserve is not required under the Companies Act, 2013. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve are not reclassified subsequently to the Statement of Profit and Loss.

### (c) Retained Earnings

Retained Earnings represents the amount of accumulated earnings of the Company.

### (d) Foreign currency translation reserve

Foreign currency translation reserve means the accumulated gain or loss resulting from the translation of financial statements denominated in a foreign currency into the company's reporting currency.

### (d) Other Comprehensive Income (OCI)

OCI represents variation in the amount of equity instruments measured at fair value through other comprehensive income.

\*The accompanying notes 18 and 19 are integral part of these financial statements.

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

#### For BGJC & Associates LLP

Chartered Accountants  
Firm's Registration No.: 003304N/N500056

#### Pranav Jain

Partner  
Membership No. 098308

Place: Noida  
Date: May 24, 2024

#### For and on behalf of the Board of Directors of IKIO Lighting Limited

#### Hardeep Singh

Managing Director  
DIN: 00118729

#### Subhash Agrawal

Chief Financial Officer

#### Surmeet Kaur

Whole Time Director  
DIN: 00118695

#### Sandeep Agarwal

Company Secretary  
M. No.: A66255



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

## BACKGROUND

IKIO Lighting Limited (formerly IKIO Lighting Private Limited) ("the Company / Parent") and Companies/ entity under common control of promoter (collectively referred to as "the Group") is a company domiciled in India, with its registered office situated at Delhi. The Company was incorporated in India on March 21, 2016. Subsequent to the year end, the Company has received approval from the Ministry of Corporate Affairs on April 18, 2022, for the change of name from IKIO Lighting Private Limited to IKIO Lighting Limited. The Group is a leading manufacturer of LED Lighting in India.

## 1. BASIS OF PREPARATION

### (i) Statement of compliance:

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Group has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss for the year ended March 31, 2024, the Consolidated Statement of Cash Flows for the year ended March 31, 2024 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements' or 'financial statements').

The Consolidated Financial statements of the Group for the year ended March 31, 2024 have been approved by the Board of Directors in their meeting held on May 24, 2024.

### (ii) Basis of preparation:

The consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis, except for:

- a) Certain financial assets and liabilities are measured at fair value. (Refer note 1(viii) for fair value) Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of their acquisition.

- b) Employees defined benefit obligation is reported as per actuarial valuation.

As the year-end figures are taken from the source and rounded to the nearest digits.

### (iii) Basis of consolidation

IKIO Lighting Limited entities which it owns or controls. The Consolidated financial statements comprise the financial statements of the Company, its controlled trusts and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The Group consolidates the financial statements of the parent and its subsidiary on line by line basis adding together the items of assets, liabilities, equity, income and expenses. InterGroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiary are in consistency with the policies adopted by the Group.

The significant accounting policies adopted in the preparation of these financial statements are included in Note 2. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Parent Company have 100% control over its subsidiaries so there is no Non-controlling Interest.

### (iv) Business combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity

## (v) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act.

Based on the above criteria, the Group have ascertained its accounting cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

## (vi) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

## (vii) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit liability	Present value of defined benefit obligations

## Use of estimates and judgements

In preparing the consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

## Judgements

Information about judgements made in applying accounting policies that have the most

significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- ◆ Note no 41: leases: whether an arrangement contains a lease;
- ◆ Note no 48: classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

## Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period ending March 31, 2024 is included in the following notes:

- ◆ Note no 3: measurement of useful lives and residual values to property, plant and equipment;
- ◆ Note no 3 & 7: impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- ◆ Note no 7: measurement of useful lives of intangible assets;
- ◆ Note no 50: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- ◆ Note no 39: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources;
- ◆ Note no 44: measurement of defined benefit obligations: key actuarial assumptions;
- ◆ Note no 48: Fair value measurement of financial instruments and impairment of financial assets.

## (viii) Measurement of fair value

A number of accounting policies and disclosures require measurement of fair value for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

is based on the presumption that the transaction to sell the asset or transfer the liability takes place either –

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

The principal or the most advantageous market must be accessible to/ by the Group.

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

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## Recent accounting pronouncements issued but not made effective

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

## 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (i) Revenue

In recognising revenue, the Group applies Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The Standard require apportioning revenue earned from contracts to individual promises,

or performance obligations, on a relative stand-alone selling price basis, using a five-step model.

Revenue is recognised upon transfer of control of promised product or services to customer in an amount that reflect the consideration which the Group expects to receive in exchange for those product or services at the fair value of the consideration received or receivable, which is generally the transaction price, net of any taxes/ duties and discounts.

The Group earns revenue from sales of LED lighting and other related products

### Revenue from sale of LED lighting

Revenue from Sale of LED lighting is recognised at the point of time upon transfer of control of promised goods to the customer in an amount that reflects the consideration the Group expects to receive in exchange for those goods i.e. when it is probable that the entity will receive the economic benefits associated with the transaction and the related revenue can be reliably measured. Revenue is recognised at the fair value of the consideration received or receivable, which is generally the contracted price, net of any taxes/ duties and discounts considering the impact of variable consideration.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

### Trade receivables

A receivable represents the Group’s right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

### Use of significant judgements in revenue recognition: -

- ◆ The performance obligation is satisfied upon delivery of the goods.
- ◆ At the time of entering into the agreement / raising an invoice, performance obligations in the contract are identified. The Company/Entity delivers goods as per terms & condition of the contract. Contracts are of differing natures and sometimes have one specific performance obligation, and on other occasions have



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

multiple performance obligations. Contract liability has been created towards unsatisfied or partially satisfied performance obligation.

- ◆ Contract fulfilment costs are expensed as incurred.

## Interest income

Interest income on time deposits and inter-corporate loans is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

## Other income

In respect of other heads of income, the Group follows the practice of recognising income on accrual basis.

## (ii) Property, plant and equipment

### Recognition and measurement

Items of property, plant and equipment are measured at cost, net of recoverable taxes (wherever applicable), which includes capitalised borrowing costs less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, if any, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant, and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

### Subsequent expenditure

Subsequent expenditures are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of

the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting year in which they are incurred.

### Depreciation methods, estimated useful lives and residual values

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value over their useful life using written down value method and is recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as under and the same are equal to lives specified as per schedule II of the Act.

Particulars	Useful lives (in years)
<b>Tangible assets:</b>	
Building	60
Furniture and fixtures	8-10
Plant & Machinery	15
Office equipment	5
Vehicle	8-10
Computer equipment	3
Computer servers and networks	6
Lease Hold Improvement	5

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from property, plant and equipment is provided for up to the date of sale, deduction or discard of property, plant and equipment as the case may be.

Depreciation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

## (iii) Intangible assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the Group and where its cost can be reliably measured.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

## Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the written down value method and is included in depreciation and amortisation expense in the statement of profit and loss.

The useful lives of intangible assets are as follows:

Intangible assets	Useful lives (in years)
Software	5

Amortisation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the statement of profit and loss.

## (iv) Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's or CGU's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

## (v) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

## (vi) Financial instruments

### i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue, except for an item recognised at fair value through profit and loss. Transaction cost of financial assets carried at fair value through profit and loss is expensed in the statement of profit and loss.

### ii. Classification and subsequent measurement

#### Financial assets

On initial recognition, a financial asset is classified as measured at

- ◆ amortised cost;
- ◆ Fair value through other comprehensive income (FVOCI), or
- ◆ Fair value through profit and loss (FVTPL)





# Notes to the Consolidated Financial Statements

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The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- ◆ the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- ◆ the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- ◆ the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ◆ the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified to be measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

## Financial assets: Business model assessment

The Group assess the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information

is provided to management. The information considered includes:

- ◆ the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets.
- ◆ how the performance of the portfolio is evaluated and reported to the Group's management.
- ◆ the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- ◆ how managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- ◆ the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group consider the contractual terms of the



# Notes to the Consolidated Financial Statements

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instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- ◆ contingent events that would change the amount or timing of cash flows;
- ◆ terms that may adjust the contractual coupon rate, including variable interest rate features; prepayment and extension features; and
- ◆ terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

## Financial assets: Subsequent measurement and gains and losses

**Financial assets at amortised cost:** These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

**Financial assets at FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

**Debts investments at FVOCI:** These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other

net gains and losses are recognised in OCI. On Derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

**Equity investments at FVOCI:** These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

## Financial liabilities: classification, subsequent measurement & gain and loss

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

## iii. Offsetting

Financial assets and monetary liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

## iv. Derecognition

### Financial assets

The Group derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enter into transactions whereby it transfers assets recognised on its balance sheet



# Notes to the Consolidated Financial Statements

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but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

## Financial liabilities

The Group derecognise a financial liability when its contractual obligations are discharged or cancelled or expired.

The Group also derecognise a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

## v. Impairment of financial instruments:

The Group recognise loss allowances for expected credit losses on:-

- ◆ Financial assets measured at amortised cost; and
- ◆ Financial assets measured at FVOCI-debt investments

At each reporting date, the Group assess whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- ◆ significant financial difficulty of the borrower or issuer;
- ◆ a breach of contract such as a default or being past due for agreed credit period;
- ◆ the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- ◆ it is probable that the borrower will enter bankruptcy or another financial reorganisation; or
- ◆ the disappearance of an active market for a security because of financial difficulties.

## Expected credit loss:

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group assume that the credit risk on a financial asset has increased significantly if it is more than agreed credit period.

The Group consider a financial asset to be in default when:

- ◆ the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- ◆ the financial asset is past due and not recovered within agreed credit period.

## Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets disclosed in the Balance Sheet.

## Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

## (vii) Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of inventories is based on the weighted average.

The Cost comprises all costs of purchases and other costs incurred in bringing the inventory to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

## (viii) Employee Benefits

### Short term employee benefits:

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Benefits such as salaries, wages, and bonus etc. are recognised in the statement of profit and loss in the year in which the employee renders the related service. The liabilities are presented as current employee benefit obligation in the balance sheet.

### Long term employee benefits

#### Defined contribution plan: Provident fund

All employees of the Group are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These

contributions are made to the fund administered and managed by the Government of India. The Group has no further obligations under the plan beyond its monthly contributions. Obligation for contribution to defined contribution plan are recognised as an employee benefit expense in statement of profit and loss in the period during which the related services are rendered by the employees.

#### Defined Benefit Plan: Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Group provide for retirement benefits in the form of Gratuity, which provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. Benefits payable to eligible employees of the Group with respect to gratuity is accounted for on the basis of an actuarial valuation as at the balance sheet date.

The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost as at the balance sheet date. The resultant actuarial gain or loss on change in present value of the defined benefit obligation is recognised as an income or expense in the other comprehensive income. The Group's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The Group's determine the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Actuarial gain and losses are recognised in the Other Comprehensive Income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised in the statement of profit and loss. The Group recognises gains and



# Notes to the Consolidated Financial Statements

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losses on the settlement of a defined benefit plan when the settlement occurs.

## Other long-term benefits: Compensated absences

Benefits under the Group's compensated absences scheme constitute other employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation using the Projected Unit Credit Method, done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss.

## (ix) Income tax

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- ◆ temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- ◆ taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be real.

## (x) Contingent Liability, Contingent Asset and Provisions

### Contingent liability

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

# Notes to the Consolidated Financial Statements

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## Contingent assets

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

## Provisions

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources, and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

## (xi) Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

## (xii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, share split or consolidation of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares as at the beginning of the period, unless they have been issued at a later date.

## (xiii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

In accordance with Ind AS 108 – Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Group's Management to allocate resources to the segments and assess their performance.

Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The operating segments have been identified on the basis of the nature of products/services. Further:

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment.
2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under unallowable expenditure.
3. Income which relates to the Group as a whole and not allocable to segments is included in unallowable income.
4. Segment assets and liabilities include those directly identifiable with the respective segments. Unallowable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

The Board of Director(s) are collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. Refer Note 43 for segment information.

## (xiv) Leases

### The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- ◆ the contract involves the use of an identified asset
- ◆ the Group has substantially all the economic benefits from use of the asset through the period of the lease and
- ◆ the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose

of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group are an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.



## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 3. PROPERTY, PLANT AND EQUIPMENT

#### Year ended March 31, 2024

Description	Gross block (at cost)					Accumulated depreciation					Net block
	As at April 01, 2023	Additions pursuant to business combination	Additions during the year	Disposal/ Adjustment	As at March 31, 2024	As at April 01, 2023	Additions pursuant to business combination	For the year	Disposal/ Adjustment	As at March 31, 2024	As at March 31, 2024
Land	36.68	-	-	-	36.68	-	-	-	-	-	36.68
Building	33.76	-	-	-	33.76	8.30	-	2.42	-	10.72	23.04
Plant & machinery	277.36	-	249.13	28.40	498.08	76.65	-	43.99	10.38	110.25	387.83
Furniture and fixtures	11.84	-	20.46	-	32.30	2.33	-	4.85	-	7.18	25.12
Vehicles	49.36	-	44.77	12.95	81.18	23.36	-	16.27	7.37	32.26	48.92
Office equipment	16.61	-	6.02	2.24	20.39	5.46	-	5.24	0.42	10.28	10.11
Computer	4.76	-	10.05	-	14.81	2.65	-	3.64	-	6.29	8.53
Lease hold property	1.54	-	19.27	-	20.81	0.08	-	0.45	-	0.53	20.28
	<b>431.91</b>	<b>-</b>	<b>349.70</b>	<b>43.59</b>	<b>738.01</b>	<b>118.83</b>	<b>-</b>	<b>76.85</b>	<b>18.17</b>	<b>177.50</b>	<b>560.51</b>

#### Year ended March 31, 2023

Description	Gross block (at cost)					Accumulated depreciation					Net block
	As at April 01, 2022	Additions pursuant to business combination	Additions during the year	Disposal/ Adjustment	As at March 31, 2023	As at April 01, 2022	Additions pursuant to business combination	For the year	Disposal/ Adjustment	As at March 31, 2023	As at March 31, 2023
Land	36.68	-	-	-	36.68	-	-	-	-	-	36.68
Building	33.76	-	-	-	33.76	5.63	-	2.67	-	8.30	25.46
Plant & machinery	115.08	97.31	69.13	4.16	277.36	26.55	20.02	31.07	0.99	76.65	200.71
Furniture and fixtures	0.24	5.17	6.43	-	11.84	0.11	1.14	1.16	0.08	2.33	9.51
Vehicles	22.91	15.82	10.63	-	49.36	9.94	4.12	9.30	-	23.36	26.00
Office equipment	3.48	6.63	6.50	-	16.61	1.59	1.45	2.42	-	5.46	11.15
Computer	0.26	3.15	1.35	-	4.76	0.14	1.44	1.78	0.71	2.65	2.11
Lease hold property	-	-	1.54	-	1.54	-	-	0.08	-	0.08	1.46
	<b>212.41</b>	<b>128.08</b>	<b>95.58</b>	<b>4.16</b>	<b>431.91</b>	<b>43.96</b>	<b>28.17</b>	<b>48.48</b>	<b>1.78</b>	<b>118.83</b>	<b>313.08</b>

#### Footnote:

- There are no impairment losses recognised during the year ended March 31, 2024 and year ended March 31, 2023.
- There are no exchange differences adjusted in Property, plant and equipment.
- Refer note no 39 for capital commitments.
- The Group has not carried out any revaluation of Property, plant and equipment for the year ended March 31, 2024 and year ended March 31, 2023.
- Refer note no 20 and 23 regarding hypothecation/pledge of Property, plant and equipment against the borrowings from banks.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 4. RIGHT OF USE ASSETS

Reconciliation of carrying value	Amount
<b>Gross carrying amount as at April 01, 2022</b>	
Opening balance	4.05
Additions pursuant to business combination	380.99
Addition during the year	1.80
Adjustment on account of modification	1.53
Reversal due to closure of lease agreement (Refer note 41)	(6.22)
<b>Closing gross carrying amount March 31, 2023</b>	<b>382.15</b>
Addition during the year	202.60
Reversal due to closure of lease agreement	-
<b>Closing gross carrying amount March 31, 2024</b>	<b>584.75</b>
<b>Accumulated amortisation and impairment amount as at April 01, 2022</b>	
Opening balance	0.69
Additions pursuant to business combination	41.15
Amortisation for the year	9.25
Reversal due to closure of lease agreement	-
<b>Closing accumulated amortisation and impairment as on March 31, 2023</b>	<b>51.09</b>
Amortisation for the year	42.66
Reversal due to closure of lease agreement	-
<b>Closing accumulated amortisation and impairment as on March 31, 2024</b>	<b>93.75</b>
Net carrying amount as at March 31, 2023	331.06
<b>Net carrying amount as at March 31, 2024</b>	<b>491.01</b>

### Note

- During the year ended March 31, 2024 and year ended March 31, 2023, the group recognised right of use assets as per Ind AS 116 Lease (Refer note no 41)

## 5 CAPITAL WORK-IN-PROGRESS

	As at March 31, 2024	As at March 31, 2023
Opening balance	269.01	-
<b>Addition during the year (net):(refer below footnotes)</b>		
Building under construction <sup>§</sup>	243.93	269.01
Plant and machinery*	181.23	-
Furniture*	20.07	-
Office equipment*	1.35	-
<b>Balance at the end the year</b>	<b>715.59</b>	<b>269.01</b>

<sup>§</sup>The last year value includes additions pursuant to business combination of ₹180.94 million.

\*Assets that are not ready to use as at March 31, 2024.

### Ageing Schedule for Capital work-in-progress as at March 31, 2024

	Less than 1 year	1-2 Years	2-3 Years	More than 3 Year	Total
Project in progress	446.58	175.32	52.90	40.79	715.59
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>446.58</b>	<b>175.32</b>	<b>52.90</b>	<b>40.79</b>	<b>715.59</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### Ageing Schedule for Capital work-in-progress as at March 31, 2023

	Less than 1 year	1-2 Years	2-3 Years	More than 3 Year	Total
Project in progress	175.32	52.90	39.23	1.56	269.01
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>175.32</b>	<b>52.90</b>	<b>39.23</b>	<b>1.56</b>	<b>269.01</b>

There is no Capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan. However, money outflow towards project was slower than anticipated in the prospectus. Accordingly no disclosures are required.

### Note

- (i) Including pre-operative expenditure during construction period pending allocation / capitalisation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	79.94	-
Interest cost	3.87	66.07
Cost of materials consumed	14.62	-
Salaries and wages	7.99	2.52
Rent	7.50	2.59
Electricity and water charges	3.68	1.95
Manpower cost	2.82	1.38
Transport expenses	1.48	0.21
Legal & professional charges	0.47	3.21
Job Work Charges	2.62	-
Contribution to provident and other funds	0.44	-
Director's remuneration	0.36	-
Admin Expenses	0.24	-
Rates & taxes	0.18	0.23
Printing and stationery	0.16	-
travel & conveyance expenses	0.14	-
Miscellaneous expenses	0.92	1.79
Less: Income during trial run period		
Revenue from Sale of product	(32.88)	-
	<b>94.56</b>	<b>79.94</b>
<b>Less:- Capitalised during the period</b>		
Capitalised in Plant and machinery	(11.79)	-
<b>Total</b>	<b>82.77</b>	<b>79.94</b>

## 6 GOODWILL

	As at March 31, 2024	As at March 31, 2023
Carrying value at the beginning	4.94	-
Goodwill on business combination	-	4.94
<b>Carrying value at the year ended</b>	<b>4.94</b>	<b>4.94</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 7 OTHER INTANGIBLE ASSETS

### Year ended March 31, 2024

Description	Gross block (at cost)					Accumulated amortisation					Net block
	As at April 01, 2023	Additions pursuant to business combination	Additions during the year	Disposal/ Adjustment	As at March 31, 2024	As at April 01, 2023	Additions pursuant to business combination	Additions during the year	Disposal/ Adjustment	As at March 31, 2024	As at March 31, 2024
Computer software	2.33	-	-	-	2.33	1.51	-	0.48	-	1.99	0.34
Trade mark	-	-	0.70	-	0.70	-	-	-	-	-	0.70
	<b>2.33</b>	<b>-</b>	<b>0.70</b>	<b>-</b>	<b>3.03</b>	<b>1.51</b>	<b>-</b>	<b>0.48</b>	<b>-</b>	<b>1.99</b>	<b>1.04</b>

### Year ended March 31, 2023

Description	Gross block (at cost)					Accumulated amortisation					Net block
	As at April 01, 2022	Additions pursuant to business combination	Additions during the year	Disposal/ Adjustment	As at March 31, 2023	As at April 01, 2022	Additions pursuant to business combination	Additions during the year	Disposal/ Adjustment	As at March 31, 2023	As at March 31, 2023
Computer software	1.46	0.19	0.68	-	2.33	1.00	0.14	0.37	-	1.51	0.82
	<b>1.46</b>	<b>0.19</b>	<b>0.68</b>	<b>-</b>	<b>2.33</b>	<b>1.00</b>	<b>0.14</b>	<b>0.37</b>	<b>-</b>	<b>1.51</b>	<b>0.82</b>

#### Footnote:

- (i) There are no internally generated intangible assets.
- (ii) The Group has not carried out any revaluation of intangible assets for the year ended March 31, 2024 and year ended March 31, 2023.
- (iii) There are no other restriction on title of intangible assets other than as already disclosed.
- (iv) There are no exchange differences adjusted in intangible assets.
- (v) The Group have not acquired intangible assets free of charge, or for nominal consideration, by way of a government grant.

## 8 OTHER FINANCIAL ASSETS (NON-CURRENT)

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured considered goods</b>		
Security deposit	12.08	5.75
Fixed Deposit	0.05	0.05
	<b>12.13</b>	<b>5.80</b>

Deposits of ₹0.05 million (March 31, 2023 ₹0.05 million) has been made for issue of guarantees in favour of value added tax authorities.

## 9 DEFERRED TAX ASSETS (NET)

	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	15.75	12.84
MAT credit entitlement	7.58	-
	<b>23.33</b>	<b>12.84</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 10 NON CURRENT TAX ASSETS (NET)

	As at March 31, 2024	As at March 31, 2023
Income tax refundable (Net of cumulative provision of tax of current year)	36.18	6.41
	<b>36.18</b>	<b>6.41</b>

## 11 OTHER NON CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - Considered Good</b>		
Balance with government authorities	79.34	16.32
Capital advances (Capital commitments refer note no 39)	62.74	10.47
Prepaid lease rent	0.96	0.52
Prepaid expenses	0.05	0.15
	<b>143.09</b>	<b>27.46</b>

## 12 INVENTORIES

	As at March 31, 2024	As at March 31, 2023
<b>Valued at lower of cost or net realisable value</b>		
Raw materials	1,005.63	944.05
Work-in-progress	212.69	153.98
Finished goods	133.03	106.36
Other		
(i) Stock in transit	0.28	1.87
	<b>1,351.63</b>	<b>1,206.26</b>

Inventories are pledged as security for borrowings taken from bank (refer note no 20 and 23)

## 13 TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Considered good	943.44	691.24
Having significant increase in credit risk	32.75	47.39
Less: provision for the expected credit loss	(7.40)	(11.79)
	<b>968.79</b>	<b>726.84</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## Footnote:

Ageing Schedule for Trade Receivables- March 31, 2024

Particulars	Not Due	Outstanding as at March 31, 2024 from due date of payment					Total
		0-6 Months	6-12 months	1-2 Years	2-3 Years	More than 3 Year	
<b>Unsecured:</b>							
(i) Undisputed Trade receivables — considered good	365.43	364.59	119.53	93.89	-	-	943.44
(ii) Undisputed Trade receivables — Having significant increase in credit risk	-	-	21.09	9.04	0.72	1.90	32.75
(iii) Undisputed Trade receivables — credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables — Having significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables — credit Impaired	-	-	-	-	-	-	-
Less: provision for the expected credit loss	-	(0.35)	(2.52)	(2.27)	(0.36)	(1.90)	(7.40)
<b>Total</b>	<b>365.43</b>	<b>364.24</b>	<b>138.10</b>	<b>100.66</b>	<b>0.36</b>	<b>-</b>	<b>968.79</b>

Ageing Schedule for Trade Receivables- March 31, 2023

Particulars	Not Due	Outstanding as at March 31, 2023 from due date of payment					Total
		0-6 Months	6-12 months	1-2 Years	2-3 Years	More than 3 Year	
<b>Unsecured:</b>							
(i) Undisputed Trade receivables — considered good	152.05	373.74	158.82	6.63	-	-	691.24
(ii) Undisputed Trade receivables — Having significant increase in credit risk	-	-	35.85	6.80	1.44	3.30	47.39
(iii) Undisputed Trade receivables — credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables — Having significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables — credit Impaired	-	-	-	-	-	-	-
Less: provision for the expected credit loss	-	(0.69)	(5.38)	(1.70)	(0.72)	(3.30)	(11.79)
<b>Total</b>	<b>152.05</b>	<b>373.05</b>	<b>189.29</b>	<b>11.73</b>	<b>0.72</b>	<b>-</b>	<b>726.84</b>

The Group has measured expected credit loss of trade receivable based on simplified approach as per Ind AS 109 - Financial Instruments

1. For explanation on the Group credit risk management process, refer note 48.
2. Trade receivables are non interest bearing.
3. Trade receivables are pledged as securities for borrowings taken from banks (refer note 20 and 23)



## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 14 CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
<b>Balances with banks</b>		
- On current accounts	80.25	20.95
Cash on hand	0.55	2.11
Fixed deposits with original maturity of 3 months or less	60.00	-
	<b>140.80</b>	<b>23.06</b>

For explanation on the Group credit risk management process, refer note 48.

### 15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Fixed deposits maturity period more than 3 months but less than 12 months*	1,769.29	7.05
	<b>1,769.29</b>	<b>7.05</b>

\*This includes term deposits amounting INR 30.65 million have been pledged against bank guarantee.

For explanation on the Group credit risk management process, refer note 48.

### 16 OTHER FINANCIAL ASSETS (CURRENT)

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - Considered Good</b>		
Security deposits	36.43	3.33
Interest accrued	43.65	0.04
Others recoverable	0.75	0.15
	<b>80.83</b>	<b>3.52</b>

For explanation on the Group credit risk management process, refer note 48.

### 17 OTHER CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured - Considered Good</b>		
IPO expenditure (refer footnote (i))	177.19	74.30
Advances to supplier	83.30	65.13
Prepaid expense	5.25	4.42
Balance with government authorities.	9.16	9.42
Prepaid lease rent	0.81	0.08
Advance salary and wages	1.85	0.57
Other assets	0.28	17.54
	<b>277.84</b>	<b>171.46</b>

**Footnotes:**

- i. The Company is under the process of getting the approvals from Stock Exchange, once it will be received the Company will account for accordingly adjusted with Securities Premium.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 18 EQUITY SHARE CAPITAL

- a. The Company has only one class of share capital having a par value of ₹10 per share, referred to herein as equity shares.

	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
<b>Authorised Shares</b>				
Equity shares of 10 each	100000000	1,000.00	100000000	1,000.00
	<b>100000000</b>	<b>1,000.00</b>	<b>100000000</b>	<b>1,000.00</b>
<b>Issued, subscribed and fully paid-up shares</b>				
Equity shares of 10 each	77280701	772.81	65000000	650.00
	<b>77280701</b>	<b>772.81</b>	<b>65000000</b>	<b>650.00</b>

- b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year.

	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	65000000	650.00	25000000	250.00
Add: Fresh Issue of Shares	12280701	122.81	-	-
Add : Issue of Bonus Shares	-	-	40000000	400.00
<b>Shares outstanding at the end of the year</b>	<b>77280701</b>	<b>772.81</b>	<b>65000000</b>	<b>650.00</b>

- c. Terms/rights attached to equity share

### Voting

Each holder of equity shares is entitled to one vote per share held.

### Dividends

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual general meeting except in the case where interim dividend is distributed.

### Liquidation

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

- d. The Company does not have any Holding Company.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### e. Detail of shareholders holding more than 5% of equity share of the Company

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Holding in numbers	% of total equity shares	Holding in numbers	% of total equity shares
<b>Equity shares of INR 10 each fully paid up held by :-</b>				
Hardeep Singh	32999142	42.70%	38999142	59.99%
Surmeet Kaur	23000000	29.76%	26000000	40.00%

### f. Aggregate number of equity shares issued as bonus during the period of five years immediately preceding the reporting date:

Name of shareholder	As at March 31, 2024	As at March 31, 2023
	No. of Shares	No. of Shares
Equity shares allotted as fully paid bonus shares by capitalisation of reserves	64950000	64950000

### g. Details of shares held by promoters

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b>As at March 31, 2024</b>						
Equity shares of INR 10 each fully paid	Hardeep Singh	38999142	(6000000)	32999142	42.70%	(15.38%)
Equity shares of INR 10 each fully paid	Sumeet Kaur	26000000	(3000000)	23000000	29.76%	(11.54%)
<b>Total</b>		<b>64999142</b>	<b>(9000000)</b>	<b>55999142</b>	<b>72.46%</b>	
<b>As at March 31, 2023</b>						
Equity shares of INR 10 each fully paid	Hardeep Singh	14999670	23999472	38999142	60.00%	160.00%
Equity shares of INR 10 each fully paid	Sumeet Kaur	10000000	16000000	26000000	40.00%	160.00%
<b>Total</b>		<b>24999670</b>	<b>39999472</b>	<b>64999142</b>	<b>100.00%</b>	

h. No class of shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash or bought back during the period of 5 years immediately proceeding the balance sheet date.

i. The Board of Director has recommended a final dividend of ₹1/- per equity share (@10%) of face value of ₹10/- each for the financial year ended March 31, 2024 in their board meeting held on dated May 24, 2024.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 19 OTHER EQUITY

	As at March 31, 2024	As at March 31, 2023
<b>Surplus in the statement of profit and loss</b>		
Opening balance	612.84	512.46
(+) Net profit for the year	605.71	500.38
(-) Issue of bonus share	-	(400.00)
<b>Closing balance (A)</b>	<b>1,218.55</b>	<b>612.84</b>
<b>Securities Premium</b>		
Opening balance	-	-
Addition during the year	3,377.19	-
<b>Closing balance (B)</b>	<b>3,377.19</b>	<b>-</b>
<b>Capital Reserve</b>		
Opening balance	155.32	-
Addition during the year	-	155.32
<b>Closing balance (C)</b>	<b>155.32</b>	<b>155.32</b>
<b>Currency translation reserve</b>		
Opening balance	-	-
Addition during the year	(0.74)	-
<b>Closing balance (D)</b>	<b>(0.74)</b>	<b>-</b>
<b>Other comprehensive income</b>		
Opening	3.45	1.95
Add: other comprehensive income for the year	1.48	1.50
<b>Closing balance (E)</b>	<b>4.93</b>	<b>3.45</b>
<b>Total other equity (A+B+C+D+E)</b>	<b>4,755.25</b>	<b>771.61</b>

## 20 NON CURRENT BORROWINGS

	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Term loan from banks/NBFC's (refer foot note)	-	159.76
Vehicle loan (refer foot note)	35.05	16.46
<b>Total non current borrowings</b>	<b>35.05</b>	<b>176.22</b>
Less: Current maturities of non-current borrowings (included in note 23)	9.17	164.44
<b>Non-current borrowings</b>	<b>25.88</b>	<b>11.78</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## Footnotes:-

### For the year ended March 31, 2024

#### Secured loan

##### (i) Term loan

##### IndusInd Bank Ltd

The Group has availed WCTL (Sanctioned Limit ₹12.60 million) from IndusInd Bank Ltd, which are secured against first and exclusive charge on the hypothecation of the entire movable fixed assets, first pari passu charge on hypothecation of all current assets (charge shared with HDFC Bank Limited) has been prepaid during the year.

The Group has availed long term loan from IndusInd Bank Ltd, the loan is secured by first and exclusive charge on hypothecation of entire movable fixed assets & equitable mortgage on industrial land and building of Royalux export private limited situated at NSEZ, and collateral first and exclusive mortgage on industrial land and building of Raina Metal Pvt Ltd. It is further secured by personal guarantee of Mr. Hardeep Singh and his relatives i.e Surmeet Kaur, Sanjeet Singh, Ishween Kaur and corporate guarantee by Raina Metal tech Private Limited. Rate of interest of 8.50 % per annum. Term loans are repayable by September 29, 2023. The said loan has been prepaid during the period.

##### HDFC Bank Limited

The long term loans from HDFC Bank Limited (Sanctioned Limit ₹250.00 million) which is secured against personal guarantee of directors, Corporate guarantee of IKIO Lighting Limited (a related party) and Royalux Lighting Private Limited (a related party). The said loan has been prepaid during the period.

##### Standard Chartered Bank

The Group has availed loan against property from Standard Chartered Bank which are secured against property situated at Villa No. 01, Plot No. 1, Type K ATS greens village, Sec 93A, Expressway, Noida, Uttar Pradesh . The tenure of the loan is 180 months to be fully paid by September 30, 2034. The loan carries floating rate of interest of MCLR Rate +0.50% p.a at half yearly reset. The said loan has been prepaid during the year.

##### (ii) Vehicle Loan

##### HDFC Bank Limited

Vehicle Loan obtained from HDFC Bank Limited amounting to ₹1.67 million which is secured against respective vehicle and is repayable in 39 equal instalments commencing from April 07, 2021. Rate of interest is 7.45% p.a. and balance outstanding as at March 31, 2024 is ₹0.14 million (March 31, 2023 is ₹0.69 million), which is repayable in next 03 months.

Vehicle Loan obtained from HDFC Bank Limited amounting to ₹1.53 million which is secured against respective vehicle and is repayable in 39 equal instalments commencing from April 07, 2021. Rate of interest is 7.45% p.a. and balance outstanding as at March 31, 2024 is ₹0.13 million (March 31, 2023 is ₹0.63 million), which is repayable in next 03 months.

Vehicle Loan availed from HDFC Bank Limited amounting to ₹ 4.5 million which is secured against the respective vehicle and is repayable in 48 equal instalments commencing from October 05, 2021. Rate of interest is 7.10% p.a and balance outstanding as at March 31, 2024 is ₹ 1.84 million out of which ₹ 1.20 million is repayable upto March 31, 2025.

Vehicle Loan availed from HDFC Bank Limited amounting to ₹ 3.7 million which is secured against the respective vehicle and is repayable in 39 equal instalments commencing from March 03, 2021. Rate of interest is 7.30% p.a and balance outstanding as at March 31, 2024 is ₹ 0.21 million out of which ₹ 0.21 million is repayable upto March 31, 2025.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

Vehicle Loan availed from HDFC Bank Limited amounting to ₹ 9.00 million which is secured against the respective vehicle and is repayable in 48 equal instalments commencing from December 12, 2022. Rate of interest is 7.90% p.a and balance outstanding as at March 31, 2024 is ₹ 6.31 million out of which ₹ 2.21 million is repayable upto March 31, 2025.

Vehicle Loan availed from HDFC Bank Limited amounting to ₹ 29.70 million which is secured against the respective vehicle and is repayable in 48 equal instalments commencing from August 05, 2023. Rate of interest is 8.45% p.a and balance outstanding as at March 31, 2024 is ₹ 26.42 million out of which ₹ 5.27 million is repayable upto March 31, 2025.

## Axis Bank Limited

Vehicle Loan obtained from Axis Bank Limited amounting to ₹17.00 million which is secured against the respective vehicle and is repayable in 48 equal instalments commencing from October 10, 2019. Rate of interest is 9.15% p.a, has been prepaid during the year.

## For the year ended March 31, 2023

### Secured loan

#### (i) Term loan

##### IndusInd Bank Ltd

The Group has availed WCTL (Sanctioned Limit ₹12.60 million) from IndusInd Bank Ltd, which are secured against first and exclusive charge on the hypothecation of the entire movable fixed assets, first pari passu charge on hypothecation of all current assets (charge shared with HDFC Bank Limited). Also, there is a collateral guarantee in form of first and exclusive equitable mortgage of industrial land and building of the Group situated at Haridwar. Further, there is personal guarantees of Directors and one of close relative of directors.

The tenure for the loan is 36 months to be fully paid by December 31, 2024. The loan carries floating rate of interest of MIBOR(daily)+2% at monthly rest.

The Group has availed long term loan from IndusInd Bank Ltd, the loan is secured by first and exclusive charge on hypothecation of entire movable fixed assets & equitable mortgage on industrial land and building of Royalux export private limited situated at NSEZ, and collateral first and exclusive mortgage on industrial land and building of Raina Metal Pvt Ltd. It is further secured by personal guarantee of Mr. Hardeep Singh and his relatives i.e Surmeet Kaur, Sanjeet Singh, Ishween Kaur and corporate guarantee by Raina Metal tech Private Limited.

Rate of interest of 8.50 % per annum. Term loans are repayable by September 29, 2023.

The loan outstanding amount is USD 0.09 million as at March 31, 2023.

In case of default on FCNR Loan, Indusind bank may choose to convert entire loan into INR Loan.

##### Standard Chartered Bank

The Group has availed loan against property from Standard Chartered Bank which are secured against property situated at Villa No. 01, Plot No. 1, Type K ATS greens village, Sec 93A, Expressway, Noida, Uttar Pradesh. The tenure of the loan is 180 months to be fully paid by September 30, 2034. The loan carries floating rate of interest of MCLR Rate +0.50% p.a at half yearly reset.

#### (ii) Vehicle Loan

##### Axis Bank Limited

Vehicle Loan obtained from Axis Bank Limited amounting to ₹17.00 million which is secured against the respective vehicle and is repayable in 48 equal instalments commencing from October 10, 2019. Rate of interest is 9.15% p.a and balance outstanding as at March 31, 2023 is ₹2.40 million out of which ₹2.40 million is repayable in next 6 months.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## HDFC Bank Limited

Vehicle Loan obtained from HDFC Bank Limited amounting to ₹1.67 million which is secured against respective vehicle and is repayable in 39 equal instalments commencing from April 07, 2021. Rate of interest is 7.45% p.a. and balance outstanding as at March 31, 2023 is ₹0.69 million out of which ₹0.55 million is repayable in next 12 months.

Vehicle Loan obtained from HDFC Bank Limited amounting to ₹1.53 million which is secured against respective vehicle and is repayable in 39 equal instalments commencing from April 07, 2021. Rate of interest is 7.45% p.a. and balance outstanding as at March 31, 2023 is ₹0.63 million out of which ₹0.50 million is repayable in next 12 months.

Vehicle Loan availed from HDFC Bank Limited amounting to ₹4.5 million which is secured against the respective vehicle and is repayable in 48 equal instalments commencing from October 05, 2021. Rate of interest is 7.10% p.a and balance outstanding as at March 31, 2023 is ₹2.96 million out of which ₹1.12 million is repayable upto March 31, 2024.

Vehicle Loan availed from HDFC Bank Limited amounting to ₹3.7 million which is secured against the respective vehicle and is repayable in 39 equal instalments commencing from March 03, 2021. Rate of interest is 7.30% p.a and balance outstanding as at March 31, 2023 is ₹1.43 million out of which ₹1.22 million is repayable upto March 31, 2024.

Vehicle Loan availed from HDFC Bank Limited amounting to ₹9.00 million which is secured against the respective vehicle and is repayable in 48 equal instalments commencing from December 12, 2022. Rate of interest is 7.90% p.a and balance outstanding as at March 31, 2023 is ₹8.35 million out of which ₹2.04 million is repayable upto March 31, 2024.

The Group's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 48

## 21 LEASE LIABILITIES (NON-CURRENT)

	As at March 31, 2024	As at March 31, 2023
Lease liability (Refer note 41)	213.26	77.92
	<b>213.26</b>	<b>77.92</b>

## 22 PROVISIONS (NON-CURRENT)

	As at March 31, 2024	As at March 31, 2023
<b>Provision for employees benefits (refer note no 44)</b>		
Gratuity	4.25	19.03
Compensated Absences	6.69	4.42
	<b>10.94</b>	<b>23.45</b>

## 23 BORROWINGS (CURRENT)

	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Term loan from banks/NBFC's	-	64.05
Cash credit	185.58	451.75
Packing credit loan	-	123.84
Current maturities of long-term debt	9.17	164.44
<b>Unsecured</b>		
From Directors	231.15	230.95
From Others	-	100.38
	<b>425.90</b>	<b>1,135.41</b>

For explanation on the Group liquidity risk management process (Refer note 48)



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## Footnotes:-

### For the year ended March 31, 2024

#### Secured loan

##### Cash Credit

##### IndusInd Bank Ltd

The Group has availed cash credit facility (Sanctioned Limit ₹96.50 Mn) from IndusInd Bank Ltd, which are secured against first and exclusive charge on the hypothecation of the entire movable fixed assets, first pari passu charge on hypothecation of all current assets (charge shared with HDFC Bank Ltd), the limit has been prepaid and closed during the year.

##### HDFC Bank Limited

The Group has also availed Cash Credit facility / LC limit (Sanctioned Limit ₹250.00 Mn) from HDFC Bank Limited, Which is secured against pari passu charge on hypothecation of stock and debtors. Also, there is a collateral guarantee in form of industrial property situated at Noida owned by IKIO Solutions Pvt Ltd (A Related Party). Further, there are personal guarantees of Directors.

The loan carries a floating rate of interest linked with Repo rate + Spread."

The Group has availed working capital loan (Pre/Post Shipment/PSR and Cash credit) from HDFC Bank Limited (sanctioned ₹230.00 Mn with sublimit of cash credit ₹50.00 Mn). The loan is secured by personal guarantee given by Mr. Hardeep Singh and Mrs. Surmeet Kaur. It is further secured by inventory, trade receivables and Corporate guarantee (collateral security of equitable mortgage on industrial land & Building) of IKIO Solution Private Limited property located at industrial property, plot no. 10 Sector 156, Mandoli village, Noida- 201301.

During the year, the Company has paid packing credit loan.

The Group has been sanctioned cash credit facilities amounting to ₹186 million. The facility is secured by way of charge on Stock, Debtor & BG Margin. Also there is collateral guarantee in form of equitable mortgage on industrial property of IKIO Solutions Pvt Ltd, Noida (a related party). Further, there are personal guarantees of directors. The loan carries a floating rate of interest currently 8.35% per annum (Repo rate+Spread).

#### Unsecured loan

##### Loan from directors

The Group have taken Interest free loan taken from Director (Refer note 45)

### For the year ended March 31, 2023

#### Secured loan

##### (i) Term loan

##### Standard Chartered Bank

- a) The term loan against property from Standard Chartered Bank which are secured against property situated at Plot No. 10, Block - A, Sector - 68 Noida, Uttar Pradesh - 201305. The loan carries floating rate of interest of MCLR Rate +0.50 p.a at half yearly resets. The said loan has been prepaid during the period.
- b) The term loan against property from Standard Chartered Bank which are secured against property situated at Plot No. 10, Block - A, Sector - 68 Noida, Uttar Pradesh - 201305. The loan carries floating rate of interest of Repo Rate+3.75% p.a at quarterly resets. The said loan has been prepaid during the period.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## (ii) Cash Credit

### IndusInd Bank Ltd

The Group has availed cash credit facility (Sanctioned Limit ₹96.50 million) from IndusInd Bank Ltd, which are secured against first and exclusive charge on the hypothecation of the entire movable fixed assets, first pari passu charge on hypothecation of all current assets (charge shared with HDFC Bank Ltd). Also, there is a collateral guarantee in form of first and exclusive equitable mortgage of industrial land and building of the Group situated at Haridwar. Further, there is personal guarantees of Directors and one of close relative of directors.

The loan carries a floating rate of interest linked with 6 month CD.

The Group has availed Cash Credit facility (Sanctioned Limit ₹25.30 million) from IndusInd Bank Ltd, which are secured against first and exclusive charge on the hypothecation of the entire movable fixed assets & Current Assets. Also, there is a collateral guarantee in form of first Pari Passu equitable mortgage of industrial land and building of the Raina Metaltech Private Limited situated at Noida (a related Party). Further, there is personal guarantees of Director and close relatives of directors. The loan carries a floating rate of interest linked with 6 month CD.

### HDFC Bank Ltd

The Group has also availed Cash Credit facility / LC limit (Sanctioned Limit ₹250.00 million) from HDFC Bank Ltd, Which is secured against pari passu charge on hypothecation of stock and debtors (charge shared with IndusInd Bank Ltd). Also, there is a collateral guarantee in form of industrial property situated at Noida owned by IKIO Solutions Pvt Ltd (A Related Party). Further, there are personal guarantees of Directors.

The loan carries a floating rate of interest linked with Repo rate + Spread.

During the year ended March 31, 2023, the Group has been sanctioned cash credit facilities amounting to ₹50.00 million from HDFC Bank Limited. The facility is secured by way of charge on Stock, Debtor. Also there is collateral guarantee in form of equitable mortgage on industrial property of IKIO Solutions Private Limited, Noida (a related party). Further, there are personal guarantees of directors. The loan carries a floating rate of interest spread linked with 3M T-Bill and Prevailing T-Bill.

During the last year ended March 31, 2022, the Group has been sanctioned cash credit facilities amounting to ₹186.00 million. The facility is secured by way of charge on Stock, Debtor & BG Margin. Also there is collateral guarantee in form of equitable mortgage on industrial property of IKIO Solutions Pvt Ltd, Noida (a related party). Further, there are personal guarantees of directors. The loan carries a floating rate of interest linked with Repo rate+Spread.

## Packing credit loan

### HDFC Bank Ltd

The Group has availed working capital loan (Pre/Post Shipment/PSR and Cash credit) from HDFC bank (sanctioned ₹230.00 million). The loan is secured by personal guarantee given by Mr. Hardeep Singh and Mrs. Surmeet Kaur. It is further secured by inventory, trade receivables and Corporate guarantee (collateral security of equitable mortgage on industrial land & Building) of IKIO Solution Private Limited property located at industrial property, plot no. 10 Sector 156, Mandoli village, Noida- 201301.

## 2. Unsecured loan

### Loan from directors

The Group have taken Interest free loan taken from Director (Refer note 45)

The Group has taken loan from others are carries fixed rate of interest 9% per annum.



## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 24 LEASE LIABILITIES (CURRENT)

	As at March 31, 2024	As at March 31, 2023
Lease liability (Refer note 41)	38.24	2.45
	<b>38.24</b>	<b>2.45</b>

### 25 TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises (refer note no 42)	62.10	88.30
Total outstanding dues of creditors other than micro and small enterprises	151.53	152.38
	<b>213.63</b>	<b>240.68</b>

#### Footnote:

Ageing Schedule for Trade Payable- March 31, 2024

Particulars	Not Due	Outstanding as at March 31, 2024 from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Year	
(i) Micro enterprises and small enterprises	62.10	-	-	-	-	62.10
(ii) Other than micro enterprises and small enterprises	77.66	71.00	2.29	0.34	0.24	151.53
(iii) Micro enterprises and small enterprises -Disputed Dues	-	-	-	-	-	-
(iv) Other than micro enterprises and small enterprises-Disputed Dues	-	-	-	-	-	-
<b>Total</b>	<b>139.76</b>	<b>71.00</b>	<b>2.29</b>	<b>0.34</b>	<b>0.24</b>	<b>213.63</b>

Ageing Schedule for Trade Receivables- March 31, 2023

Particulars	Not Due	Outstanding as at March 31, 2024 from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Year	
(i) Micro enterprises and small enterprises	88.30	-	-	-	-	88.30
(ii) Other than micro enterprises and small enterprises	44.40	105.28	2.24	0.46	-	152.38
(iii) Micro enterprises and small enterprises -Disputed Dues	-	-	-	-	-	-
(iv) Other than micro enterprises and small enterprises-Disputed Dues	-	-	-	-	-	-
<b>Total</b>	<b>132.70</b>	<b>105.28</b>	<b>2.24</b>	<b>0.46</b>	<b>-</b>	<b>240.68</b>

- i. For trade payables to related parties please refer note 45.
- ii. Trade payables are non interest bearing.
- iii. The Group's exposure to currency and liquidity risks related to trade payables are disclosed in Note 48.
- iv. Suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006 are disclosed in Note 42.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 26 OTHER FINANCIAL LIABILITIES (CURRENT)

	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due	0.22	1.20
Expenses payable	8.88	11.68
Temporary book overdraft	-	32.50
Capital creditors	16.67	4.44
Other payables	50.29	59.83
	<b>76.06</b>	<b>109.65</b>

The Group's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 48

### 27 OTHER CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	16.44	37.97
Advance from customers	20.80	22.82
	<b>37.24</b>	<b>60.79</b>

### 28 PROVISIONS (CURRENT)

	As at March 31, 2024	As at March 31, 2023
<b>Provision for employees benefits (refer note no 44)</b>		
Gratuity	2.55	1.48
Compensated Absences	0.78	1.68
	<b>3.33</b>	<b>3.16</b>

### 29 CURRENT TAX LIABILITIES (NET)

	Year ended March 31, 2024	Year ended March 31, 2023
Provision for Income Tax (net of Advance Tax, TDS and TCS)	4.46	22.71
	<b>4.46</b>	<b>22.71</b>

### 30 REVENUE FROM OPERATIONS

	As at March 31, 2024	As at March 31, 2023
Sale of product	4,331.20	3,561.91
Sale of services	48.33	25.74
	<b>4,379.53</b>	<b>3,587.65</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 31 OTHER INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on foreign currency transactions	14.31	16.48
Interest income	131.30	0.86
Interest on funded gratuity	0.03	-
Export incentive	-	0.01
Net Profit on sale of property, plant & equipment (net)	-	0.11
Finance income on amortisation of security deposit	0.17	0.10
Gain on derecognition of lease	-	2.18
Rebate and discount	-	0.02
Interest on Fixed Deposits	0.54	-
Gain on reversal of expected credit loss	4.39	2.29
Provisions no longer required written back	1.50	2.85
Miscellaneous income	1.22	6.77
	<b>153.46</b>	<b>31.67</b>

## 32 COST OF MATERIALS CONSUMED

	Year ended March 31, 2024	Year ended March 31, 2023
Opening stock	944.05	941.46
Add: Purchase	2,722.02	2,256.21
Add: Material transfer from trial production run*	6.82	-
Less: Closing stock	1,005.63	944.05
	<b>2,667.26</b>	<b>2,253.62</b>

\*balances showing the balance exist in business when trial run ends and commercial production started by the one of group company.

## 33 CHANGE IN INVENTORIES

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Inventories (at closing)</b>		
- Work-in-progress	212.69	153.98
- Finished product	133.03	106.36
	<b>345.72</b>	<b>260.34</b>
<b>Inventories (transfer from trial production run)*</b>		
- Work-in-progress	0.09	-
- Finished product	2.44	-
	<b>2.53</b>	<b>-</b>
<b>Inventories (at opening)</b>		
- Work-in-progress	153.98	214.86
- Finished product	106.36	94.44
	<b>260.34</b>	<b>309.30</b>
<b>Net increase in inventories</b>	<b>(82.85)</b>	<b>48.96</b>

\*balances showing the balance exist in business when trial run ends and commercial production started by the one of group company.



## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 34 EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, bonus and other allowances	405.97	242.94
Director's remuneration	41.24	35.78
Contribution to provident and other funds	32.18	17.02
Expenses related to post-employment defined benefit plans	8.63	5.80
Expenses related to compensated absences	2.09	0.47
Staff welfare expenses	11.78	6.20
	<b>501.89</b>	<b>308.20</b>

### 35 FINANCE COSTS

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on borrowing	18.89	33.94
Other borrowing costs	71.71	46.53
Interest on lease liabilities	20.83	4.77
Interest on delayed payment	0.01	1.99
Interest on Income Tax	4.13	3.13
	<b>115.57</b>	<b>90.36</b>

### 36 DEPRECIATION AND AMORTISATION EXPENSES

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation and Amortisation (refer note 3 and 7)	77.34	48.62
Amortisation of Right of use Asset (refer note 4)	42.66	9.25
	<b>120.00</b>	<b>57.87</b>

### 37 OTHER EXPENSES

	Year ended March 31, 2024	Year ended March 31, 2023
Electricity and water charges	46.62	28.43
Legal and professional charges	55.63	17.58
Rates and taxes	12.63	9.56
Travelling and conveyance expenses	38.89	16.58
Repair and maintenance	36.82	15.15
Installation and extraction charges	22.83	4.54
Job work expense	19.19	8.49
Lab testing and research and development expenses	15.93	9.37
Freight	18.76	10.80
Rent (refer note 41)	18.65	14.09
Corporate social responsibility expenses (refer footnote (ii))	16.21	6.86
Insurance charges	6.48	3.82
Business Promotion and Advertisements	5.95	7.91
Computer expenses	3.18	1.99
Security charges	4.45	2.92
Generator fuel and running expenses	5.83	2.41
Consumables expenses	5.29	2.35



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
Auditor remuneration (refer footnote (i))	4.40	2.60
Net loss on foreign currency transactions	0.32	-
Directors' sitting fees	1.97	1.73
Sundry balance written off	2.42	6.15
Loss on sale/disposal of property, plant & equipment (net)	1.31	-
Communication Expenses	1.13	1.77
Postage and courier expense	0.04	-
Telephone and internet expense	1.36	-
Donation	0.04	-
Unidentified financial loss	-	10.00
Bank charges	1.54	0.95
Vehicle running and maintenance	1.89	1.21
Printing and stationery	1.35	0.98
Loading and unloading charges	0.52	0.56
SEZ EDI change	0.09	0.04
Subscription and fee	0.17	0.64
Commission expenses	4.49	3.06
Packing and forwarding expense	0.31	0.11
Selling and distribution expense	3.88	6.15
Miscellaneous expenses	5.46	3.26
	<b>366.02</b>	<b>202.06</b>

## Footnotes:

### i. Details of Auditor remuneration (excluding goods & service tax)

	Year ended March 31, 2024	Year ended March 31, 2023
Statutory Audit	4.00	1.83
Tax Audit	-	0.30
Out of Pocket Expenses	0.40	0.47
	<b>4.40</b>	<b>2.60</b>

### ii. Corporate Social Responsibility expenses

- a) Gross amount required to be spent by the Group during the year was ₹16.21 million.
- b) Amount spent during the year was ₹16.21 million.

Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above*	16.21	-	16.21

\*Contribution to an approved/ registered trust "Transform Foundation" Charitable Trust', for undertaking approved Corporate social responsibility projects/ programmes/ activities. The amount shall be utilised towards free OPD, distribution of free medicines and Free Health Check up Camp and in "D-Cacus Foundation" Charitable Trust', for undertaking approved Corporate social responsibility projects/ programmes/ activities and also in "Maa Katyani Mandir Gyan Kartar Ashram" Charitable Trust', for undertaking approved Corporate social responsibility projects/ programmes/ activities. The amount shall be utilised for Promoting Education, Helping Differently abled People, Setting up Homes and Hostels for Women and Orphans, Setting up old age homes.

- c) The Group does not have any ongoing project as at March 31, 2024.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### 38 DISCLOSURE AS PER IND AS 33 ON 'EARNINGS PER SHARE' (EPS)

	As at March 31, 2024	As at March 31, 2023
<b>Basic and Diluted earnings per share</b>		
- Basic (₹)	8.09	7.70
- Diluted (₹)	8.09	7.70
Nominal value per share	10.00	10.00
<b>(a) Profit attributable to equity shareholders</b>		
Profit for the year	605.71	500.38
<b>Profit attributable to equity shareholders</b>	<b>605.71</b>	<b>500.38</b>
<b>(b) Weighted average number of shares used as the denominator</b>	74831272	65000000
<b>Weighted average number of equity shares for basic and diluted EPS</b>	<b>74831272</b>	<b>65000000</b>

At present, the company does not have any dilutive potential equity share.

### 39 CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	As at March 31, 2024	As at March 31, 2023
<b>Contingent Liabilities</b>		
Demand under Sales Tax for the year 2017-18 against pending C-Forms*	28.91	28.91
Demand under Income tax act not acknowledge as debt	3.16	2.84
Demand under Central Board of Indirect Taxes and Customs	4.63	-

\*In the view of management, the demand is not expected to be materialised as the company expects to submit the relevant C-Forms and accordingly no provision is required to be recorded.

#### Capital Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Commitment (Net of capital advances)	589.42	8.91

### 40 GROUP INFORMATION

(a) The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name of subsidiary	Country of incorporation	Proportion %	Period of financial statements included in consolidation
Royalux Lighting Private Limited	India	100%	April 01, 2023 to March 31, 2024
Royalux Exports Private Limited	India	100%	April 01, 2023 to March 31, 2024
IKIO Solutions Private Limited	India	100%	April 01, 2023 to March 31, 2024
Royalux LLC	United States	100%	November 22, 2023 to March 31, 2024



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## (b) Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in million)	As % of consolidated profit and loss	Amount (₹ in million)	As % of consolidated other comprehensive income	Amount (₹ in million)	As % of total comprehensive income	Amount (₹ in million)
IKIO Lighting limited	86.81%	4,798.82	47.34%	286.76	29.81%	0.44	47.30%	287.20
Royalux Lighting Private Limited	18.57%	1,026.46	55.94%	338.86	68.84%	1.02	55.98%	339.88
Royalux Exports Private Limited	5.20%	287.73	5.85%	35.42	1.35%	0.02	5.84%	35.44
IKIO Solutions Private Limited	13.91%	769.02	(6.07%)	(36.76)	0.00%	-	(6.05%)	(36.76)
Royalux LLC	1.36%	74.99	(0.02%)	(0.12)	0.00%	-	(0.02%)	(0.12)
Eliminations	(25.85%)	(1,428.96)	(3.05%)	(18.45)	0.00%	-	(3.04%)	(18.45)
<b>Total</b>	<b>100.00%</b>	<b>5,528.06</b>	<b>100.00%</b>	<b>605.71</b>	<b>100.00%</b>	<b>1.48</b>	<b>100.00%</b>	<b>607.19</b>

## 41 LEASES

The group is a lessee under operating lease of different premises. The Group has executed non-cancellable operating leases for a period of 2, 3, 5, 15 and 90 years respectively.

Disclosure in respect of such operating leases is as given below:

### a) Break up value of the Current and Non - Current Lease Liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current lease liabilities	213.26	77.92
Current lease liabilities	38.24	2.45
	<b>251.50</b>	<b>80.37</b>

The movement in lease liabilities during the year ended is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	80.37	3.32
Additions pursuant to business combination	-	88.45
Addition - during the year	202.61	1.80
Finance cost accrued during the year	20.71	4.77
Payment of lease liabilities	(52.19)	(11.09)
Reversal due to closure of lease agreement	-	(8.40)
Adjustment on account of modification	-	1.53
<b>Closing Balance</b>	<b>251.50</b>	<b>80.37</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

The details of the contractual maturities of lease liabilities at year ended on undiscounted basis are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year	38.24	2.45
Later than one year but not later than five years	138.87	3.10
Later than five years	74.39	74.82
<b>Particulars</b>	<b>251.50</b>	<b>80.37</b>

The Group has executed a short-term operating lease for a period of 11 months renewable as per mutual agreement.

The aggregate lease rental of ₹18.65 million (March 2023: ₹14.09 million) on such leases has been charged to the Statement of consolidated Profit and Loss.

### Right of use assets

The changes in the carrying value of Right of use assets for the year ended are as follows :

	As at March 31, 2024	As at March 31, 2023
Opening Balance	331.06	3.36
Opening Balance on acquisition of subsidiaries	-	339.84
Addition -during the year	202.61	1.80
Depreciation of Right of use assets	(42.66)	(9.25)
Reversal due to closure of lease agreement (Refer footnote)	-	(6.22)
Adjustment on account of modification	-	1.53
<b>Closing Balance</b>	<b>491.01</b>	<b>331.06</b>

### Note:

The lease agreements do not have any restrictive onerous clauses, other than that those normally prevalent in similar agreements for use of assets, rent escalation, and lease renewal.

## 42 DISCLOSURE RELATING TO SUPPLIERS REGISTERED UNDER MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006:

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in:		
Principal amount due to micro and small enterprises	62.10	88.30
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the Interest specified under the MSMED 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 under section 23 of the MSMED Act 2006.	-	-



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 43 SEGMENT REPORTING

### A. Basis for Segmentation

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, and for which discrete financial information is available.

The board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any facility.

The Group's board reviews the results of each segment on a quarterly basis. The Group's board of directors uses Profit after tax ('PAT') to assess the performance of the operating segments. Accordingly, there is only one reportable segment for the Group which is "Sale of Product", hence, no specific disclosures have been made.

### Entity wide disclosures

### B. Information about reportable segments

The Group deals in one business segment namely "Manufacturing of LED Lighting" therefore, product wise revenue disclosures are not applicable to the Group.

#### i) Information about geographical areas

Group operates primarily under a single geographic location i.e. India and accordingly, there are no separate reportable geographical segments.

### C. Revenue from Major customer.

In IKIO lighting limited, Revenue generated from one customer amounting to ₹2175.90 Million (March 31, 2023: ₹2257.98 Million).

In Royalux Export Private Limited, Revenue generated from four customers amounting to ₹453.31 Million (March 31, 2023: ₹431.95 Million).

In Royalux Lighting Private Limited, Revenue generated from four customers amounting to ₹276.23 Million (Previous year ₹217.91 Million).

In IKIO Solutions Private Limited, Revenue generated from one customer amounting to ₹25.54 Million (March 31, 2023: ₹Nil).

## 44 EMPLOYEE BENEFITS

The Group contributes to the following post-employment defined benefit plans in India.

### 1. Defined contribution plans:

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, administered and managed by the government of India. The Group has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to provident fund	28.21	13.85



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 2. Defined benefit plan:

### Gratuity

The Group operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit. The gratuity liability is entirely unfunded.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognise each year of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of present value of the defined benefit obligation for gratuity were carried out as at March 31, 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

### A. The following table set out the status of the defined benefit obligation:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Net defined benefit liability</b>		
Gratuity (funded)	6.35	20.51
Gratuity (Unfunded)	0.45	-
<b>Total employee benefit liabilities</b>	<b>6.80</b>	<b>20.51</b>
Non-current	4.25	19.03
Current	2.55	1.48

### B. Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	As at March 31, 2024			As at March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the Year	20.51	-	20.51	20.51	-	20.51
<b>Included in profit or loss</b>						
Current service cost	7.26	-	7.26	-	-	-
Interest cost (income)	1.66	-	1.66	-	-	-
	<b>8.92</b>	<b>-</b>	<b>8.92</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Included in OCI</b>						
Remeasurements loss (gain)						
Actuarial loss (gain) arising from:						
Financial assumptions	0.62	-	0.62	-	-	-
Demographic assumptions	-	-	-	-	-	-
Experience adjustment	(2.59)	-	(2.59)	-	-	-
	<b>(1.97)</b>	<b>-</b>	<b>(1.97)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other</b>						
<b>Acquisition</b>						
Contributions paid by the employer	-	(20.53)	(20.53)	-	-	-
Benefits paid	(0.14)	-	(0.14)	-	-	-
	<b>(0.14)</b>	<b>(20.53)</b>	<b>(20.67)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at the end of the year</b>	<b>27.33</b>	<b>(20.53)</b>	<b>6.80</b>	<b>20.51</b>	<b>-</b>	<b>20.51</b>

Expenses recognised in the Statement of profit and loss	Year ended March 31, 2024	Year ended March 31, 2023
Service cost	7.26	-
Net interest cost	1.66	-



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## Year ended March 31, 2023

Consolidated financial statements have been prepared in accordance with Ind AS 110 “Consolidated Financial Statements”. These consolidated financial statements include the financial results of IKIO Lighting Limited (“Holding Company”) for the year ended March 31, 2023 and financial results of subsidiary companies, namely, Fine Technologies(India) Private Limited, Royalux Exports Private Limited, Royalux Lighting Private Limited and IKIO Solutions Private Limited for the year from September 12, 2022 to March 31, 2023, that is from the date the Holding Company acquired control. Accordingly, the data related to Service cost, Interest cost, and actuarial gain/loss for the stub year September 12, 2022 to March 31, 2023 for these subsidiaries is not realistically ascertainable in the absence of actuarial valuation in respect of these subsidiaries on the date of transfer of control. The present obligation as at March 31, 2023 has been ascertained through actuarial valuation. Accordingly requisite disclosures have not been provided in respect of the financial statements for the year ended March 31, 2023. In the opinion of the management, the amounts are not material and such non-disclosure does not affect the true and fair view of the consolidated financial statements.

## C. Plan Assets

Fair value of plan assets\*

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Plan assets at the beginning of the year	-	-
Actual company contributions	20.53	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Plan assets at the end of the year	-	-
<b>Total</b>	<b>20.53</b>	<b>-</b>

\*one of the group company dose not have any plan assets.

### a) Economic Assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the company.

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate	7.09%	7.33% to 7.36%
Expected rate of future salary increase	5.00%	5.00%

The discount rate has been assumed at March 31 2024: 7.09% (March 31, 2023: 7.33% to 7.36%) which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### b) Demographic assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
Retirement Age	60 Years	60 Years
Employee Turnover/ Withdrawal Rate	6%	6%
Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)

# Notes to the Consolidated Financial Statements

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## D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amount shown below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.12) to (0.00)	0.00 to 1.32	(0.75) to (0.08)	0.09 to 0.90
Salary escalation rate (1% movement)	0.00 to 1.26	(1.07) to (0.00)	0.08 to 0.90	(0.78) to (0.08)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivities due to mortality is not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

### Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

- Salary Increases- More than expected increase in the future salary levels may results in increase in the liabilities.
- Discount Rate: In case of yield on the government bonds drops in the future period then it may result in increase in liability.
- Withdrawals – if the actual withdrawal rate is turn out to be more or less than expected then it may result in increase in the liabilities.
- Mortality - if the actual mortality rate in the future turns out to be more or less than expected then it may result increase in the liabilities.

## 43 RELATED PARTY DISCLOSURE

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

### a) List of related parties

Relationship	Name of related party
<b>Enterprises in which key management personnel and their relatives are able to exercise significant influence#</b>	Raina Metal Tech Private Limited
	Fine Technologies (India) Private Limited (Till September 11, 2022)**
	IKIO Solutions Private Limited (Till September 11, 2022)**
	Royalux Lighting Private Limited (Till September 11, 2022)**
	Royalux Exports Private Limited (Till September 11, 2022)**
	Krishna Computech International Private Limited
	Inko Technologies
	Singh Engineering
	Singh Enterprises
	IKIO Led Lighting LLC
	Safe Solutions
Life Tek Solutions	



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

Relationship	Name of related party
<b>Key Managerial Personnel (KMP's)</b>	Mr. Hardeep Singh (Managing Director)
	Mrs. Surmeet Kaur (Whole Time Director)
	Mr. Sanjeet Singh (Director)
	Mr. Subhash Chand Agrawal (Chief Financial Officer)
	Mr. Sandeep Kumar Agarwal (Company Secretary)
	Mr. Chandra Shekhar Verma (Non Executive Independent directors)
	Mr. Rohit Singhal (Non Executive Independent directors)
	Mr. Kishore Kumar Sansi (Non Executive Independent directors)
<b>Relative of Key Managerial Personnel</b>	Mrs. Ishween Kaur

\*\*Refer Note No. 52

#With whom significant transactions have been taken place during the current and/or previous year

## b) Details of related party transactions are as below:

Particular	Year ended March 31, 2024	Year ended March 31, 2023
<b>Transaction during the year</b>		
<b>Purchases and other expenses</b>		
Fine Technologies (India) Private Limited**	-	99.36
Royalux Lighting Private Limited**	-	14.68
Singh Enterprises	1.12	0.37
Singh Engineering	0.52	0.01
Life Tek Solutions	8.97	-
Krishna Computech International Private Limited	0.02	-
<b>Income</b>		
<b>Revenue from operations</b>		
Fine Technologies (India) Private Limited**	-	1.14
Royalux Exports Private Limited**	-	4.87
Royalux Lighting Private Limited**	-	5.37
Mr. Hardeep Singh	0.52	-
Inko Technologies	0.19	-
IKIO Led Lighting LLC	91.51	24.63
Krishna Computech International Private Limited	1.35	2.06
Singh Enterprises	5.81	2.83
Mrs. Ishween Kaur	0.41	3.59
<b>Short-Term Employee Benefits (refer footnote no. iii)</b>		
<b>Director's remuneration</b>		
Mr. Hardeep Singh	18.75	17.37
Mrs. Surmeet Kaur	9.77	9.62
Mr. Sanjeet Singh	12.72	8.78
<b>Salary relatives of Director's and KMP's (including reimbursements)</b>		
Mrs. Ishween Kaur	9.54	5.28
Mr. Subhash Chand Agrawal	5.00	4.00
Mr. Sandeep Kumar Agarwal	2.00	1.65
<b>Director Sitting fees (Non Executive Independent directors)</b>		
Mr. Chandra Shekhar Verma	0.63	0.47
Mr. Kishore Kumar Sansi	0.63	0.55
Mr. Rohit Singhal	0.70	0.71

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

Particular	Year ended March 31, 2024	Year ended March 31, 2023
<b>Rent</b>		
Raina MetalTech Private Limited	13.36	8.55
Life Tek Solutions	22.50	-
Safe Solutions	0.03	-
<b>Purchases of Property, Plant and Equipment</b>		
Fine Technologies (India) Private Limited**	-	8.79
<b>Sale of property plant and equipment</b>		
Fine Technologies (India) Private Limited**	-	0.01
Royalux Exports Private Limited**	-	2.12
Royalux Lighting Private Limited**	-	0.08
<b>Repayment of loan taken</b>		
Mr. Hardeep Singh	144.80	60.30
Mrs. Surmeet Kaur	-	45.84
Mrs. Ishween Kaur	0.90	-
Mr. Sanjeet Singh	2.00	-
<b>Loan taken</b>		
Mr. Hardeep Singh	87.30	134.12
Mrs. Surmeet Kaur	0.60	26.80
Mr. Sanjeet Singh	-	5.00
Mrs. Ishween Kaur	-	3.50
<b>Capital work-in-progress</b>		
<b>Sale of product:</b>		
Krishna Computech International Private Limited	0.31	-
<b>Other Expenses- Rent:</b>		
Safe Solutions	24.97	-
<b>Director's remuneration:</b>		
Mr. Hardeep Singh	0.36	-

### c) Balance outstanding with or from related parties as:-

	As at March 31, 2024	As at March 31, 2023
<b>Trade receivables</b>		
Singh Enterprises	6.77	9.24
IKIO Led Lighting LLC	58.08	53.70
Raina MetalTech Private Limited	-	0.18
Krishna Computech International Private Limited	0.20	1.91
<b>Borrowings</b>		
Mr. Hardeep Singh	198.65	196.15
Mrs. Surmeet Kaur	19.80	19.20
Mrs. Ishween Kaur	9.70	10.60
Mr. Sanjeet Singh	3.00	5.00
<b>Trade payables</b>		
Raina MetalTech Private Limited	-	0.14
Singh Engineering	0.05	0.03
IKIO Led Lighting LLC	0.02	0.19



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>Other Payables-Remuneration</b>		
Mr. Hardeep Singh	1.54	0.21
Mrs. Surmeet Kaur	0.26	0.84
Mr. Sanjeet Singh	0.15	0.16
Mr. Subhash Chand Agrawal	0.34	0.33
Mr. Sandeep Kumar Agarwal	0.13	0.14
<b>Security deposit (given)</b>		
Raina MetalTech Private Limited	2.16	2.16
<b>Corporate Guarantee/ Personal Guarantee taken from</b>		
Raina MetalTech Private Limited	18.90	26.46
Inko Technologies	18.90	18.90
Mr. Hardeep Singh	185.58	658.93
Mrs. Surmeet Kaur	146.75	367.02
Mr. Sanjeet Singh	136.66	495.34
Mrs. Ishween Kaur	-	227.46

## Terms and conditions of transactions with the related parties

- i. The terms and conditions of the transactions with key management personnel were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.
- ii. All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash. None of the balances are secured.
- iii. Provision for incremental gratuity liability and leave encashment for the current year in respect of key management personnels has not been considered above, since the provision is based on a actuarial basis for the Group as a whole.

## 46 EARNINGS IN FOREIGN CURRENCY

	Year ended March 31, 2024	Year ended March 31, 2023
F.O.B. value of exports	543.40	386.13
CIF value of exports	8.72	-
	<b>552.12</b>	<b>386.13</b>

## 47 EXPENDITURE IN FOREIGN CURRENCY

	Year ended March 31, 2024	Year ended March 31, 2023
Raw material	1,397.56	1,250.80
Property, plant and equipment and Capital work-in-progress	144.68	7.99
	<b>1,542.24</b>	<b>1,258.79</b>

## 48 FAIR VALUE MEASUREMENT AND FINANCIAL INSTRUMENTS

### a) Financial instruments - by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.



## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

As at March 31, 2024

Particular	Carrying Value				Fair value measurement using		
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Other financial assets	-	-	12.13	12.13	-	-	-
<b>Current</b>							
Trade receivables	-	-	968.79	968.79	-	-	-
Cash and cash equivalents	-	-	140.80	140.80	-	-	-
Bank balances other than cash and cash equivalents	-	-	1,769.29	1,769.29	-	-	-
Other financial assets	-	-	80.83	80.83	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,971.84</b>	<b>2,971.84</b>			
<b>Financial liabilities</b>							
<b>Non-current</b>							
Borrowings	-	-	25.88	25.88	-	-	-
Lease liabilities	-	-	213.26	213.26	-	-	-
<b>Current</b>							
Borrowings	-	-	425.90	425.90	-	-	-
Lease liabilities	-	-	38.24	38.24	-	-	-
Trade payables	-	-	213.63	213.63	-	-	-
Other financial liabilities	-	-	76.06	76.06	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>992.97</b>	<b>992.97</b>			

As at March 31, 2023

Particular	Carrying Value				Fair value measurement using		
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
Other financial assets	-	-	5.80	5.80	-	-	-
<b>Current</b>							
Trade receivables	-	-	726.84	726.84	-	-	-
Cash and cash equivalents	-	-	23.06	23.06	-	-	-
Bank balances other than cash and cash equivalents	-	-	7.05	7.05	-	-	-
Other financial assets	-	-	3.52	3.52	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>766.27</b>	<b>766.27</b>			
<b>Financial liabilities</b>							
<b>Non-current</b>							
Borrowings	-	-	11.78	11.78	-	-	-
Lease liabilities	-	-	77.92	77.92	-	-	-
<b>Current</b>							
Borrowings	-	-	1,135.41	1,135.41	-	-	-
Lease liabilities	-	-	2.45	2.45	-	-	-
Trade payables	-	-	240.68	240.68	-	-	-
Other financial liabilities	-	-	109.65	109.65	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,577.89</b>	<b>1,577.89</b>			



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

Level 1: It includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

The Group's borrowings have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) which approximates fair value.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. Fair value of non-current financial assets which includes bank deposits (due for maturity after twelve months from the reporting date) and security deposits is similar to the carrying value as there is no significant differences between carrying value and fair value.

The fair value for security deposits were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

## Valuation processes

The Management performs the valuations of financial assets and liabilities required for financial reporting purposes on a yearic basis, including level 3 fair values.

## b) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk

## Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors have authorised senior management to establish the processes and ensure control over risks through the mechanism of properly defined framework in line with the businesses of the Group.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group has policies covering specific areas, such as interest rate risk, foreign currency risk, other price risk, credit risk, liquidity risk, and the use of derivative and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis.

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### i. Credit risk

**The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet**

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	968.79	726.84
Cash and cash equivalents	140.80	23.06
Bank balances other than cash and cash equivalents	1,769.29	7.05
Other financial assets	92.96	9.32

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group's credit risk is primarily to the amount due from customer and investments. The Group maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with scheduled commercial banks with high credit ratings assigned by domestic credit rating agencies.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Group does monitor the economic environment in which it operates. The Group manages its Credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Group grants credit terms in the normal course of business.

On adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade receivable. The management uses a simplified approach (i.e. based on lifetime ECL) for the purpose of impairment loss allowance.

This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. Further, the Group does not anticipate any material credit risk of any of its other receivables.

#The Group believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

#### Movement in the allowance for impairment in respect of trade receivables:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	11.79	0.30
Impairment loss recognised / (reversed)	-	13.78
Amount written off	(4.39)	(2.29)
<b>Balance at the end</b>	<b>7.40</b>	<b>11.79</b>

### ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.



## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and funding from group companies to meet its liquidity requirements in the short and long term.

**The Group's liquidity management process as monitored by management, includes the following:**

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Group's liquidity position on the basis of expected cash flows.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

#### As At March 31, 2024

	Carrying Amount	Contractual cash flows			Total
		Less than one Year	Between one year to five years	More than five year	
<b>Non Current</b>					
Non current borrowings	25.88	-	25.88	-	25.88
Lease liabilities	213.26	-	138.87	74.39	213.26
<b>Current</b>					
Borrowings	425.90	425.90	-	-	425.90
Lease liabilities	38.24	38.24	-	-	38.24
Trade payables	213.63	210.76	2.87	-	213.63
Other financial liabilities	76.06	76.06	-	-	76.06
<b>Total</b>	<b>992.97</b>	<b>750.96</b>	<b>167.62</b>	<b>74.39</b>	<b>992.97</b>

#### As At March 31, 2023

	Carrying Amount	Contractual cash flows			Total
		Less than one Year	Between one year to five years	More than five year	
<b>Non Current</b>					
Non current borrowings	11.78	-	11.78	-	11.78
Lease liabilities	77.92	-	3.10	74.82	77.92
<b>Current</b>					
Borrowings	1,135.41	1,135.41	-	-	1,135.41
Lease liabilities	2.45	2.45	-	-	2.45
Trade payables	240.68	237.98	2.70	-	237.98
Other financial liabilities	109.65	109.65	-	-	109.65
<b>Total</b>	<b>1,577.89</b>	<b>1,485.49</b>	<b>17.58</b>	<b>74.82</b>	<b>1,575.19</b>

## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### iii. Market Risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, the Group mainly has exposure to two type of market risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows to the extent of earnings and expenses in foreign currencies. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating, investing and financing activities.

#### Exposure to currency risk

The summary of quantitative data about the Group exposure to currency risk, as expressed in Indian Rupees as at March 31, 2024

Particular	As at March 31, 2024			
	Currency	Amount	Currency	Amount
<b>Financial Assets</b>				
Trade Receivables	INR	568.51	USD	6.82
<b>Financial Liabilities</b>				
Trade Payable	INR	42.10	USD	0.50

Particular	As at March 31, 2023			
	Currency	Amount	Currency	Amount
<b>Financial Assets</b>				
Trade Receivables	INR	299.84	USD	3.65
<b>Financial Liabilities</b>				
Borrowings	INR	7.56	USD	0.09
Trade Payable	INR	45.05	USD	0.55

#### Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

#### Exposure to interest rate risk

The Group's interest rate risk arises majorly from the term loans from banks carrying floating rate of interest. These obligations exposes the Group to cash flow interest rate risk. The exposure of the Group's borrowing to interest rate changes as reported to the management at the end of the reporting year are as follows:

Variable-rate instruments	As at March 31, 2024	As at March 31, 2023
Term Loan	-	159.76
Cash Credit	185.58	451.75
Packing credit loan	-	123.84
	<b>185.58</b>	<b>735.35</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particular	Profit & Loss		Equity, Net of Tax	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
<b>Interest on term loans from banks</b>				
For the year ended March 31, 2024	(0.93)	0.93	(0.69)	0.69
For the year ended March 31, 2023	(3.64)	3.64	(2.72)	2.72

## 49 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Group.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Group may return capital to shareholders, raise new debt or issue new shares.

The Group monitors capital on the basis of the debt to total equity, which is calculated as interest-bearing debts divided by total equity (equity attributable to owners of the parent).

Particular	As at March 31, 2024	As at March 31, 2023
Borrowings	451.78	1,147.19
Less : Cash and cash equivalent	(140.80)	(23.06)
<b>Adjusted net debt (A)</b>	<b>310.98</b>	<b>1,124.13</b>
<b>Total equity (B)</b>	<b>5,528.06</b>	<b>1,421.61</b>
<b>Adjusted net debt to adjusted equity ratio (A/B)</b>	<b>0.06</b>	<b>0.79</b>

## 50 DEFERRED TAX ASSET (NET)

### A. Amounts recognised in Profit or Loss

Current tax expense	As at March 31, 2024	As at March 31, 2023
Current year	242.73	162.99
	<b>242.73</b>	<b>162.99</b>
Deferred tax charge/credit		
Change in recognised temporary differences	(3.34)	(5.12)
<b>Total Tax Expense</b>	<b>239.40</b>	<b>157.87</b>

### B. Amounts recognised in Other Comprehensive Income

Particulars	As at March 31, 2024			As at March 31, 2023		
	Before Tax	Tax	Net of Tax	Before Tax	Tax	Net of Tax
Remeasurements of defined benefit liability	1.97	(0.49)	1.48	1.90	(0.40)	1.50



## Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

### C. Reconciliation of effective tax rate

Particulars	As at March 31, 2024	
	Rate	Amount
<b>Profit before tax</b>		845.10
Tax using the Company's domestic tax rate (A)	25.17%	212.69
<b>Tax effect of:</b>		
Non-deductible expenses		(28.26)
Non-taxable income		15.44
Others		(14.12)
Deferred Tax		3.34
Prior year errors/adjustment		(3.10)
<b>Total (B)</b>		<b>(26.70)</b>
<b>(A)-(B)</b>		<b>239.39</b>

### D. Movement in deferred tax balances

Particular	As at April 01, 2023	Recognised in PL	Recognised in OCI	As at March 31, 2024
<b>Deferred Tax Assets</b>				
Property, plant and equipment and intangibles	(13.46)	(9.40)	-	-22.86
Employee benefits	6.15	(2.48)	(0.49)	3.24
Lease liabilities	18.07	39.42	-	57.49
Other financial assets	0.01	(0.01)	-	-
Trade Receivables	3.01	(1.15)	-	1.86
<b>Sub- Total (a)</b>	<b>13.78</b>	<b>26.38</b>	<b>(0.49)</b>	<b>39.73</b>
<b>Deferred Tax Liabilities</b>				
Right of use assets	(0.93)	(23.05)	-	(23.98)
Other financial assets	(0.00)	0.00	-	-
Borrowings	(0.00)	0.00	-	-
<b>Sub- Total (b)</b>	<b>(0.94)</b>	<b>(23.04)</b>	<b>-</b>	<b>(23.98)</b>
<b>Net Deferred Tax Asset (a)+(b)</b>	<b>12.84</b>	<b>3.34</b>	<b>(0.49)</b>	<b>15.75</b>

\*Consolidated financial statements of previous year have been prepared in accordance with Ind AS 110 "Consolidated Financial Statements". These consolidated financial statements include the financial results of IKIO Lighting Limited ("Holding Company") for the year ended March 31, 2023 and financial results of subsidiary companies, namely, Fine Technologies(India) Private Limited, Royalux Exports Private Limited, Royalux Lighting Private Limited and IKIO Solutions Private Limited for the year from September 12, 2022 to March 31, 2023, that is from the date the Holding Company acquired control. The details related to Reconciliation of effective tax rate and Movement in deferred tax balances for the stub year September 12, 2022 to March 31, 2023 for these subsidiaries are not realistically ascertainable. Accordingly requisite disclosures have not been provided in respect of the financial statements for the year ended March 31, 2023. In the opinion of the management, such non-disclosure does not affect the true and fair view of the consolidated financial statements.

### 51 DETAILS WITH RESPECT TO THE BENAMI PROPERTIES:

No proceedings have been initiated or pending against the entity under the Benami Transactions (prohibition) Act, 1988 for the year ended March 31, 2024.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 52 SCHEME OF AMALGAMATION OF FINE TECHNOLOGIES (INDIA) PRIVATE LIMITED WITH ROYALUX LIGHTING PRIVATE LIMITED

Pursuant to and in terms of the Scheme of Amalgamation by and among Fine Technologies (India) Private Limited (Subsidiary Company) as Transferor Company, Royalux Lighting Private Limited as Transferee Company (Step Down Subsidiary Company), under Sections 233 of the Companies Act, 2013, and other applicable provisions of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Scheme"), which was approved by the Regional Director (NR) vide its order dated March 18, 2024 which came into effect from April 01, 2023:

- As per the approved scheme, existing shareholders of Fine Technologies (India) Private Limited will receive 69 equity shares of Transferee Company for every 1 equity share held in Transferor Company as a purchase consideration.
- The Transferee Company issued and allotted, an aggregate of 16538265 fully paid-up equity shares of ₹10/- each, to the Company on April 20, 2024.
- Pursuant to the scheme, Royalux Lighting Private Limited becomes a Wholly Owned Subsidiary of the Company.

## 53 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES:

All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done. No registration or satisfaction is pending for the year ended March 31, 2024 and year ended March 31, 2023.

## 54 RECONCILIATION BETWEEN THE OPENING AND CLOSING BALANCES IN THE BALANCE SHEET FOR LIABILITIES ARISING FROM FINANCING ACTIVITIES:

	Non Current Borrowings (including Current Maturities)	Current Borrowings	Current Borrowings	Lease Liabilities
<b>For the year ended March 31, 2024</b>				
Balance as at April 1, 2023	176.22	970.98	1.20	80.38
Additions pursuant to business combination	-	-	-	-
Loan drawals/interest accrued during the year	-	5,263.99	11.06	223.32
Loan repayments/interest payment during the year	(141.17)	(5,818.24)	(12.04)	(52.19)
Adjustment on account of modification/closure of lease	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>35.05</b>	<b>416.73</b>	<b>0.22</b>	<b>251.51</b>
<b>For the year ended March 31, 2023</b>				
Balance as at April 1, 2022	20.89	137.41	-	3.32
Additions pursuant to business combination	262.86	711.91	-	88.45
Loan drawals/interest accrued during the year	163.08	7,723.24	24.59	6.57
Loan repayments/interest payment during the year	(270.61)	(7,601.58)	(23.39)	(11.09)
Adjustment on account of modification/closure of lease	-	-	-	(6.87)
<b>Balance as at March 31, 2023</b>	<b>176.22</b>	<b>970.98</b>	<b>1.20</b>	<b>80.38</b>

## 55 UNDISCLOSED INCOME

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(INR in million, except share and per share data, unless otherwise stated)

## 56 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

Profit or loss on transactions involving Crypto currency or Virtual Currency	No transaction during the year
Amount of currency held as at the reporting date	No transaction during the year
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No transaction during the year

## 57 WILFUL DEFAULTER:

No bank or financial institution has declared the company as “Wilful defaulter”.

## 58 RELATIONSHIP WITH STRUCK OFF COMPANIES:

No transaction has been made with the company struck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2024.

## 59 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES:

Where the company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

No layers of companies has been established beyond the limit prescribed as per above said section / rules.

## 60 LOAN OR ADVANCES GRANTED TO THE PROMOTERS, DIRECTORS AND KMPS AND THE RELATED PARTIES:

No loan or advances in the nature of loans are granted to the promoters, directors, key managerial persons and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are:

- repayable on demand or
- without specifying any terms or period of repayment

61 Figures less than ₹5000 are disclosed as 0.00.

62 Previous year’s figures have been regrouped / reclassified as per the current year presentation for the purpose of comparability.

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

**For BGJC & Associates LLP**  
Chartered Accountants  
Firm’s Registration No.: 003304N/N500056

**Pranav Jain**  
Partner  
Membership No. 098308

Place: Noida  
Date: May 24, 2024

**For and on behalf of the Board of Directors of  
IKIO Lighting Limited**

**Hardeep Singh**  
Managing Director  
DIN: 00118729

**Subhash Agrawal**  
Chief Financial Officer

**Surmeet Kaur**  
Whole Time Director  
DIN: 00118695

**Sandeep Agarwal**  
Company Secretary  
M. No.: A66255











## IKIO Lighting Limited

**Registered Office:** 411, Arunachal Building 19, Barakhamba Road,  
Connaught Place, New Delhi- 110 001

**Corp. Office:** D-234, Sector-63 Noida - 201301, Uttar Pradesh

**Website:** [www.ikio.in](http://www.ikio.in), **E-mail:** [secretarial@ikiolighting.com](mailto:secretarial@ikiolighting.com)