



Independent Auditor's Report

To the Members of **Polycab India Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Polycab India Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit

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

Emphasis of Matter

We draw attention to Note 46 to the accompanying Statement, describing the Search operations carried out by the Income tax authorities at certain premises of the Company in December 2023. Pending completion of the search proceedings, the consequent impact on the financial statements for the year ended 31 March 2024, if any, is currently not ascertainable.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

Revenue recognition - Wires and cables and Fast-Moving Electrical Goods (FMEG) business

See Note 24 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Based on its business model in Wires and FMEG business, the Company has many different types of terms of delivery arising from different types of performance obligations with its customers. Revenue from sale of goods is recognised when control is transferred to the customers and when there are no other unfulfilled obligations. This requires detailed analysis of each contract regarding timing of revenue recognition. Inappropriate assessment could lead to risk of revenue getting recognised before control has been transferred.	Our audit procedures over the recognition of revenue included the following: <ul style="list-style-type: none"> We assessed the compliance of the Company's revenue recognition accounting policies against the requirements of Indian Accounting Standards ("Ind AS") to identify any inappropriate policy; We tested the design, implementation and operating effectiveness of key internal financial controls and processes for revenue recognition along with effectiveness of information technology controls built in automated processes; On a sample basis, we tested revenue transactions recorded during the year, by verifying the underlying documents, including invoices and shipping documents for assessment of fulfillment of performance obligations completed during the year; We analysed the timing of recognition of revenue and any unusual contractual terms; On a sample basis, we tested the invoice and shipping documents for revenue transactions recorded during the period closer to the year end and subsequent to the year end to verify recognition of revenue in the correct period; and We assessed the adequacy of disclosures in the standalone financial statements against the requirement of Ind AS 115, Revenue from contracts with customers.

Accordingly, timing of recognition of revenue is a key audit matter.

Inventory Valuation

See Note 15 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> Copper and aluminum-based inventory forms a significant part of the Company's inventory for which the Company enters into commodity contracts. The Company takes a structured approach to the identification, quantification and hedging of risk of fluctuations in prices of copper and aluminum by using derivatives in commodities. Inventories are measured at the lower of cost and net realisable value on first in first out basis, except for inventories qualifying as hedged items in a fair value hedge relationship. These inventories are measured at cost, adjusted for the hedging gain or loss on the hedged item. <p>We focused on this area because of its size, the assumptions used in the valuation and the complexity, which are relevant when determining the amounts recorded.</p>	<p>Our audit procedures over inventory valuation included the following:</p> <ul style="list-style-type: none"> We tested the design, implementation and operating effectiveness of key internal financial controls, including controls over valuation of inventory, accounting of derivative and hedging transactions; On a sample basis, tested the accuracy of cost for inventory by verifying the actual purchase cost. Tested the net realisable value by comparing actual cost with most recent retail price; On a sample basis, tested the hedging relationship of eligible hedging instruments and hedged items; We used the work of our internal subject matter experts for assistance in verifying hedge effectiveness requirements of Ind AS 109, including the economic relationship between the hedged item and the hedging instrument; and We assessed and tested adequacy and completeness of the Company's disclosures in the standalone financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and 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 Responsibilities for the Standalone Financial Statements

The Company's Management and 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the

provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered



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material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone 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 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements.
 - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 12B and 21B to the standalone financial statements.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 11(G) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend

or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 11(G) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- As stated in Note 16(f) to the standalone 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 dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
- f. Based on our examination which included test checks, the Company has used 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 except the feature of recording audit trail facility for few master fields and changes done by admin users at the application level was enabled from September 2023 pursuant to an ERP upgrade. Further, for the periods where audit trail facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.



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C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
ICAI UDIN: 24042070BKQCUI1411

Place: Mumbai
Date: 10 May 2024

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Polycab India Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancy was noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (₹ in million)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land - Halol	10.48	Polycab India Limited	No	2009	Title deed is in dispute and is pending resolution with government authority at Gujarat.
Freehold land - Daman	1.42	Dinesh Gupta	No	2008	Mutation is in process.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.



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(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any 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 made investments in companies, granted interest bearing unsecured loans to companies in respect of which the requisite information is as below. The Company has not granted any interest bearing secured loans to companies, loans to other parties, made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnership.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or stood guarantee to any other entity as below:

Particulars	Guarantees (₹ in millions)	Loans (₹ in millions)
Aggregate amount during the year		
Subsidiaries*	779.70	950.00
Joint venture*	-	-
Balance outstanding as at balance sheet date		
Subsidiaries*	1,299.70	955.00
Joint venture*	-	100.00

* As per the Companies Act, 2013.

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal is on demand. In the case of loan to subsidiaries and joint venture, payment of interest has been stipulated and the receipts have been regular. As informed to us, the Company has not demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instances of loans falling due during the year were renewed or extended or settled by fresh loans:

Name of the parties	Aggregate amount of loans or advances in the nature of loans granted during the year (Amount in million)	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (Amount in million)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year (Amount in million)
Techno Electromech Private Limited	-	100.00	11%
Uniglobus Electricals and Electronics Private Limited	950.00	60.00	6%
Polycab Support Force Private Limited	-	5.00	1%

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	(₹ in millions)
	Related Parties
Aggregate of loans	
- Repayable on demand (A)	1,055
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	1,055
Percentage of loans to the total loans	100%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:



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Name of the statute	Nature of the dues	Amount (₹ in millions)	Amount paid under protest (₹ in millions)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Central Excise Act, 1944	Excise Duty	115.29	18.38	2010-2016	High Court/ Adjudicating authority/ CESTAT	Nil
ServiceTax (Finance Act, 1994)	Service tax	18.18	1.07	2017	Supreme Court/ Adjudicating authority	Nil
State & Central Sales Tax, 1956	Tax, Interest & Penalty	82.57	40.65	2014-2018	High Court, Commissioner, Appellate Authority	Nil
Customs Act, 1962	Custom duty	17.08	16.31	2010-2011, 2011-2012, 2020-2021	CESTAT – Customs	Nil
Central Goods and Services Tax Act 2017	Tax Interest & Penalty,	506.58	101.52	2017-2021	High Court/Assistant Commissioner/Appellate Authority	Nil
Income Tax Act, 1961	Income Tax	12.33	0.16	2017-18, 2020-21, 2021-22	CIT(A)	Nil

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, 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) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, 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, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and 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 standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia

Partner

Place: Mumbai
Date: 10 May 2024

Membership No.: 042070
ICAI UDIN: 24042070BKCQI1411



Independent Auditor's Report

Annexure B to the Independent Auditor's Report on the standalone financial statements of Polycab India Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Polycab India Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Bhavesh Dhupelia

Partner

Place: Mumbai

Membership No.: 042070

Date: 10 May 2024

ICAI UDIN: 24042070BKCQUI1411



Standalone Balance Sheet

as at 31 March 2024

(₹ million)			
	Notes	As at 31 March 2024 (Audited)	As at 31 March 2023 (Audited Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	3	21,287.44	19,738.16
Capital work-in-progress	3	5,368.80	2,492.69
Investment Property Under Construction	4	762.98	-
Right of use assets	5	536.00	357.43
Goodwill	45	46.22	46.22
Other intangible assets	6	122.29	121.16
Financial assets			
(a) Investment in Subsidiaries	7A	206.93	206.68
(b) Investment in Joint Venture	7A	-	105.20
(c) Trade receivables	8	1,190.70	526.37
(d) Other financial assets	12A	230.69	50.79
Non-current tax assets (net)	13D	170.77	147.33
Other non-current assets	14A	2,535.39	1,078.12
		32,458.21	24,870.15
Current assets			
Inventories	15	32,531.00	28,669.08
Financial assets			
(a) Investments	7B	18,036.45	13,504.95
(b) Trade receivables	8	22,993.74	12,209.20
(c) Cash and cash equivalents	9	2,551.44	1,219.98
(d) Bank balance other than cash and cash equivalents	10	528.07	5,239.00
(e) Loans	11	1,061.26	108.47
(f) Other financial assets	12B	314.19	293.41
Other current assets	14B	7,105.49	6,151.29
		85,121.64	67,395.38
		117,579.85	92,265.53
Total assets			
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	1,502.36	1,497.65
(b) Other equity	17	79,941.76	64,556.69
		81,444.12	66,054.34
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	18A	198.46	221.46
(b) Other financial liabilities	21A	147.24	-
Provisions	22A	593.07	446.80
Deferred tax liabilities (net)	13C	517.97	409.06
Other non-current liabilities	23A	365.08	169.07
		1,821.82	1,246.39
Current liabilities			
Financial liabilities			
(a) Lease liabilities	18B	313.98	136.99
(b) Acceptances	19	18,619.66	12,257.56
(c) Trade payables	20	-	-
Total outstanding dues of micro enterprises and small enterprises		535.04	519.01
Total outstanding dues of creditors other than micro enterprises and small enterprises		8,936.65	7,181.13
(d) Other financial liabilities	21B	2,397.86	1,651.53
Other current liabilities	23B	3,086.07	2,667.88
Provisions	22B	313.36	266.76
Current tax liabilities (net)	13D	111.29	283.94
		34,313.91	24,964.80
		117,579.85	92,265.53
Total equity and liabilities			
Corporate information and summary of material accounting policy information	1 & 2		
Contingent liabilities and commitments	35		
Other notes to accounts	36 to 48		

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

As per our report of even date

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No. 042070

For and on behalf of the Board of Directors of

Polycab India Limited

CIN: L31300GJ1996PLC114183

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Place: Mumbai
Date: 10 May 2024

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Place: Mumbai
Date: 10 May 2024

Manita Gonsalves
Company Secretary
Membership No. A18321

Standalone Statement of Profit & Loss

for the year ended 31 March 2024

(₹ million)			
	Notes	Year ended 31 March 2024 (Audited)	Year ended 31 March 2023 (Audited Restated)
INCOME			
Revenue from operations	24	180,508.51	139,135.18
Other income	25	2,198.26	1,357.90
Total income		182,706.77	140,493.08
EXPENSES			
Cost of materials consumed	26	126,681.76	97,443.23
Purchases of stock-in-trade	27	3,501.35	4,563.15
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(932.71)	594.50
Project bought outs and subcontracting cost	29	4,743.47	1,351.53
Employee benefits expense	30	5,866.05	4,440.04
Finance costs	31	1,004.42	560.80
Depreciation and amortisation expense	32	2,371.40	2,056.57
Other expenses	33	16,283.92	12,632.91
Total expenses		159,519.66	123,642.73
Profit before tax		23,187.11	16,850.35
Tax expenses			
Current tax	13	5,358.74	3,958.57
Deferred tax charge		131.70	201.69
Total tax expenses		5,490.44	4,160.26
Profit for the year		17,696.67	12,690.09
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (loss) / gain on defined benefit plans	30	(90.57)	34.97
Tax relating to items that will not be reclassified to profit or loss	13	22.79	(8.78)
Items that will be reclassified to profit or loss			
Effective portion of losses on hedging instrument in cash flow hedges		-	(0.58)
Tax relating to items that will be reclassified to profit or loss	13	-	0.15
Other comprehensive income for the year, net of tax		(67.78)	25.76
Total comprehensive income for the year, net of tax		17,628.89	12,715.85
Earnings per share			
Basic (Face value ₹10 each)	34	117.97	84.81
Diluted (Face value ₹10 each)		117.53	84.54
Weighted average equity shares used in computing earnings per equity share			
Basic		150,014,272	149,631,506
Diluted		150,566,475	150,099,705
Corporate information and summary of material accounting policy information	1 & 2		
Contingent liabilities and commitments	35		
Other notes to accounts	36 to 48		

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

As per our report of even date

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No. 042070

For and on behalf of the Board of Directors of

Polycab India Limited

CIN: L31300GJ1996PLC114183

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Place: Mumbai
Date: 10 May 2024

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Place: Mumbai
Date: 10 May 2024

Manita Gonsalves
Company Secretary
Membership No. A18321



Standalone Statement of Changes in Equity

for the year ended 31 March 2024

A) Equity Share Capital

(₹ million)

	31 March 2024 (Audited)	31 March 2023 (Audited Restated)
Balance at the beginning of the year	1,497.65	1,494.43
Issue of equity shares on exercise of employee stock options	4.71	3.22
Balance at the end of the year	1,502.36	1,497.65

B) Other Equity

(₹ million)

	Share application money pending allotment	Reserves & Surplus					Effective portion of Cash Flow Hedges	Total other equity
		Capital Reserve	Securities Premium	General Reserve	ESOP outstanding	Retained Earnings		
As at 1 April 2022	7.98	0.13	7,554.95	651.69	343.54	45,155.85	0.43	53,714.57
Acquired on account of merger with Silvan Innovation Labs Private Limited (Refer note 45)	-	-	-	-	-	(11.28)	-	(11.28)
Profit after tax for the year ended	-	-	-	-	-	12,690.09	-	12,690.09
Items of OCI for the year ended, net of tax								
Re-measurement gains/(losses) on defined benefit plans	-	-	-	-	-	26.19	-	26.19
Effective portion of gains/(losses) on hedging instrument in cash flow hedges	-	-	-	-	-	-	(0.43)	(0.43)
Final equity dividend	-	-	-	-	-	(2,094.49)	-	(2,094.49)
Share-based payments to employees	-	-	-	-	107.61	-	-	107.61
Exercise of employee stock option	137.98	-	-	-	(137.98)	-	-	-
Amount received on exercise of employee stock options	127.65	-	-	-	-	-	-	127.65
Issue of equity share on exercise of employee stock options	(270.83)	-	267.61	-	-	-	-	(3.22)
As at 31 March 2023 (Restated)	2.78	0.13	7,822.56	651.69	313.17	55,766.36	-	64,556.69

Standalone Statement of Changes in Equity Contd.

for the year ended 31 March 2024

(₹ million)

	Share application money pending allotment	Reserves & Surplus					Effective portion of Cash Flow Hedges	Total other equity
		Capital Reserve	Securities Premium	General Reserve	ESOP outstanding	Retained Earnings		
Profit after tax for the year ended	-	-	-	-	-	17,696.67	-	17,696.67
Items of OCI for the year ended, net of tax								
Re-measurement gains/(losses) on defined benefit plans	-	-	-	-	-	(67.78)	-	(67.78)
Final equity dividend	-	-	-	-	-	(2,997.30)	-	(2,997.30)
Share-based payments to employees	-	-	-	-	564.24	-	-	564.24
Transfer on account of employee stock options not exercised	-	-	-	2.02	(2.02)	-	-	-
Exercise of employee stock option	181.13	-	-	-	(181.13)	-	-	-
Amount received on exercise of employee stock options	193.95	-	-	-	-	-	-	193.95
Issue of equity share on exercise of employee stock options	(369.15)	-	364.44	-	-	-	-	(4.71)
As at 31 March 2024	8.71	0.13	8,187.00	653.71	694.26	70,397.95	-	79,941.76

Refer note 17 for nature and purpose of reserves.

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

As per our report of even date
For B S R & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No. 042070

Place: Mumbai
Date: 10 May 2024

For and on behalf of the Board of Directors of
Polycab India Limited

CIN: L31300GJ1996PLC114183

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Place: Mumbai
Date: 10 May 2024

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Manita Gonsalves
Company Secretary
Membership No. A18321



Standalone Statement of Cash Flows

for the year ended 31 March 2024

Accounting policy

Cashflows are reported using the indirect method as set out in Ind AS 7, 'Statement of Cash Flows', whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents for the purposes of statement of cash flows comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase.

For the purposes of statement of cash flows, cash and cash equivalents consist of cash in hand, balances with bank which are unrestricted for withdrawal and usage and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management (Refer note 9).

	(₹ million)	
	Year ended 31 March 2024 (Audited)	Year ended 31 March 2023 (Audited Restated)
A. Cash Flows From Operating Activities		
Profit before tax	23,187.11	16,850.35
Adjustments for:		
Depreciation and amortisation expense	2,371.40	2,056.57
Gain on disposal of property, plant and equipment	(1.93)	(97.88)
Gain on termination of lease	(1.60)	(3.29)
Interest income on financial assets	(326.08)	(286.93)
Income on government grants	(186.93)	(140.22)
Gain on redemption of investment	(815.01)	(614.32)
Fair valuation gain Mark-To-Market ('MTM') of investment	(62.21)	(36.83)
Finance cost	1,004.42	560.80
Employees share based payment expenses	564.24	107.61
Loss/(Gain) on fair valuation of financial assets	145.15	(29.62)
Impairment allowance for investment in joint venture	105.20	-
Impairment allowance for trade receivable considered doubtful	305.26	(32.20)
Impairment allowance for contract assets	9.58	-
Loss on unrealised foreign exchange	80.82	186.21
Sundry balances written off	0.43	2.21
Operating profit before working capital changes	26,379.85	18,522.46
Movements in working capital:		
(Increase)/Decrease in trade receivables	(11,979.94)	1,068.99
Increase in inventories (net)	(3,861.92)	(7,190.87)
(Increase)/Decrease in financial assets	(476.39)	117.79
Increase in non-financial assets (including contract assets)	(962.27)	(2,195.88)
Increase in acceptances	6,362.10	5,893.01
Increase in trade payables	1,603.34	2,087.04
Increase in financial liabilities	912.26	8.73
Increase in provisions	102.30	239.13
Increase/(Decrease) in non-financial liabilities (including contract liabilities)	392.89	(428.92)
Cash generated from operations	18,472.22	18,121.48
Income tax paid (including TDS) (net of refunds)	(5,554.83)	(3,603.73)

Standalone Statement of Cash Flows Contd.

for the year ended 31 March 2024

	(₹ million)	
	Year ended 31 March 2024 (Audited)	Year ended 31 March 2023 (Audited Restated)
Net cash generated from operating activities (A)	12,917.39	14,517.75
B. Cash Flows From Investing Activities		
Purchase of property, plant and equipment (including CWIP and transfer to Investment Property Under Construction)	(8,140.61)	(4,659.82)
Purchase of other intangible assets	(48.22)	(20.04)
Proceeds from sale of property, plant and equipment	5.47	209.39
Investment in mutual funds	(127,408.40)	(96,467.28)
Proceeds from sale of mutual funds	123,754.11	91,253.99
Bank deposits placed	(1,800.73)	(4,568.80)
Bank deposits matured	6,512.14	2,215.26
Investment made in equity shares of subsidiaries	(0.25)	-
Loan given to related parties	(950.00)	(61.55)
Loan (given to)/repaid by employees	(2.79)	4.15
Loan repaid by supplier	-	19.04
Interest received	456.21	199.77
Net cash used in investing activities (B)	(7,623.07)	(11,875.89)
C. Cash Flows From Financing Activities		
Amount received on exercise of employee stock options	193.95	127.65
Payment of principal portion of lease liabilities	(174.45)	(124.82)
Payment of interest on lease liabilities	(35.07)	(32.55)
Proceeds from short term borrowings (Net)	-	6.50
Interest and other finance cost paid	(949.99)	(442.69)
Payment of dividends	(2,997.30)	(2,094.49)
Net cash used in financing activities (C)	(3,962.86)	(2,560.40)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,331.46	81.46
Cash and cash equivalents at the beginning of the year	1,219.98	1,138.52
Cash and cash equivalents at end of the year (Refer below note (i))	2,551.44	1,219.98
Supplementary Information		
(a) Cash Transactions from operating activities:		
Spent towards Corporate Social Responsibility	259.01	224.79
(b) Non-Cash Transactions from Investing and Financing Activities:		
Acquisition of property, plant and equipment by means of Government Grant	408.24	133.07
(c) Acquisition of right of use assets	344.82	173.45
(d) Termination of right of use assets	84.47	138.41



Standalone Statement of Cash Flows Contd.

for the year ended 31 March 2024

Note: (i)

	(₹ million)	
	Year ended 31 March 2024	Year ended 31 March 2023
Cash and cash equivalents comprises of		
Balances with banks		
In current accounts	1,261.33	1,019.41
Deposits with original maturity of less than 3 months	1,290.10	200.00
Cash in hand	0.01	0.57
Cash and cash equivalents in Cash Flow Statement	2,551.44	1,219.98
Net lease liabilities reconciliation	Refer Note - 5	
Corporate information and summary of material accounting policy information	1 & 2	
Contingent liabilities and commitments	35	
Other notes to accounts	36 to 48	

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

As per our report of even date

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No. 042070

Place: Mumbai

Date: 10 May 2024

For and on behalf of the Board of Directors of

Polycab India Limited

CIN: L31300GJ1996PLC114183

Inder T. Jaisinghani

Chairman & Managing Director

DIN: 00309108

Gandharv Tongia

Executive Director & CFO

DIN: 09038711

Nikhil R. Jaisinghani

Whole-time Director

DIN: 00742771

Place: Mumbai

Date: 10 May 2024

Bharat A. Jaisinghani

Whole-time Director

DIN: 00742995

Manita Gonsalves

Company Secretary

Membership No. A18321

Notes to Standalone Financial Statements

for the year ended 31 March 2024

1. Corporate information

Polycab India Limited (the "Company") (CIN - L31300GJ1996PLC114183) was incorporated as 'Polycab Wires Private Limited' on 10 January 1996 at Mumbai as a private limited company under the Companies Act, 1956. The Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word 'private' was struck off from the name of the Company with effect from 30 June 2000. Thereafter, the Company was converted into a private limited company under section 43A(2A) of the Companies Act, 1956, and the word 'private' was added in the name of the Company with effect from 15 June 2001. Subsequently, the Company was converted into a public limited company, the word 'private' was struck off from the name of the Company and consequently, a fresh certificate of incorporation dated 29 August 2018 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana ("ROC"), recording the change of the Company's name to 'Polycab Wires Limited'. Thereafter, the name of the Company was changed from 'Polycab Wires Limited' to 'Polycab India Limited', and a fresh certificate of incorporation dated 13 October 2018 was issued by the ROC.

The registered office of the Company is Unit 4, Plot Number 105, Halol Vadodara Road, Village Nulpura, Taluka Halol, Panchmahal, Gujarat 389350.

The Company is the largest manufacturer of Wires and Cables in India and fast growing player in the Fast Moving Electrical Goods (FMEG) space. The Company is also in the business of Engineering, Procurement and Construction (EPC) projects. The Company owns 28 manufacturing facilities, located across the states of Gujarat, Maharashtra, Uttarakhand, Tamil Nadu and U.T. Daman.

The Board of Directors approved the Standalone Financial Statements for the year ended 31 March 2024 and authorised for issue on 10 May 2024.

2. Summary of material accounting policy information

A) Basis of preparation

i Statement of Compliance:

The Company prepares its Standalone Financial Statements to comply with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and the presentation requirements of Division II of Schedule III of Companies Act, 2013 (Ind

AS compliant Schedule III). These Standalone financial statements includes Balance Sheet as at 31 March 2024, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash flows and Statement of changes in equity for the year ended 31 March 2024, and a summary of material accounting policy information and other explanatory information (together hereinafter referred to as "Financial Statements").

ii Basis of Measurement:

The financial statements for the year ended 31 March 2024 have been prepared on an accrual basis and a historical cost convention, except for the following financial assets and liabilities which have been measured at fair value at the end of each reporting period:

- Certain financial assets and liabilities (including derivative instruments) (Refer note 38 for accounting policy regarding financial instruments)
- Net defined benefit plan where plan assets are measured at fair value (Refer note 30 for accounting policy)
- Share-based payments at fair value as on the grant date of options given to employees (Refer note 30 for accounting policy)

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received from sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting policies and methods of computation followed in the financial statements are same as compared with the annual financial statements for the year ended 31 March 2023, except for adoption of new standard or any pronouncements effective from 1 April 2023.

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



Notes to Standalone Financial Statements

for the year ended 31 March 2024

iii Classification of Current / Non-Current Assets and Liabilities:

The Company presents assets and liabilities in the Balance sheet based on current/non-current classification. It has been classified as current or non-current as per the Company's normal operating cycle, as per para 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

Operating Cycle:

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities."

iv Functional and Presentation Currency:

These financial statements are presented in Indian Rupees (₹) which is the functional currency of the Company. All amounts disclosed in the financial statements which also include the accompanying notes have been rounded off to the nearest million up to two decimal places, as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

B) Use of estimates and judgements

In the course of applying the policies outlined in all notes, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about

future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company uses the following critical accounting estimates in preparation of its financial statements:

i Revenue Recognition

The Company applied judgements that significantly affect the determination of the amount and timing of revenue from contracts at a point in time with customers, such as identifying performance obligations in a sales transactions. In certain non-standard contracts, where the Company provides extended warranties in respect of sale of consumer durable goods, the Company allocated the portion of the transaction price to goods based on its relative standalone prices. Also, certain contracts of sale includes volume rebates that give rise to variable consideration. In respect of long term contracts significant judgments are used in:

- (a) Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
- (b) Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

ii Cost to complete for long term contracts

The Company's management estimate the cost to complete for each project for the purpose of revenue recognition and recognition of anticipated losses of the projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. The process requires monitoring controls including financial and operational controls and identifying major risks faced by the Company and developing and implementing initiative to manage those risks. The Company's management is confident that the costs to complete the project are fairly estimated.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

iii Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in current and future periods.

iv Impairment of investments in subsidiaries and joint-ventures

Determining whether the investments in subsidiaries and joint ventures are impaired requires an estimate in the value in use of investments. The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. In considering the value in use, the Board of Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

v Provisions

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

vi Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent assets are neither recognised nor disclosed in the financial statements.

vii Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is

measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments (Refer note 38 for accounting policy on Fair value measurement of financial instruments).

viii Foreign Currency Transactions / Translations

Transactions in currencies other than Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the date of transaction. At the end of the reporting period, monetary items denominated in foreign currencies are reported using the exchange rate prevailing as at reporting date. Non-monetary items denominated in foreign currencies which are carried in terms of historical cost are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at the exchange rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

ix Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

x Impairment of non-financial assets

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

The Company estimates the value-in-use of the Cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset/CGU.

xi Employee benefits

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

xii Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to

terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

C) Changes in material accounting policy information

The Company has applied new standards, interpretations and amendments issued and effective for annual periods beginning on or after 01 April 2023. This did not have any material changes in the Company's standalone accounting policies.

D) New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 01 April 2023.

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 01 April 2023, as below:

(i) Definition of Accounting Estimates - Amendments to Ind AS 8:

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1:

The amendments to Ind AS 1 provided guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments had an impact

Notes to Standalone Financial Statements

for the year ended 31 March 2024

on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's standalone financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12:

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the Company's standalone financial statements.

E) Recent Indian Accounting Standards (Ind AS) issued not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

F) The material accounting policy information used in preparation of the standalone financial statements have been discussed in the respective notes.

3. Property, plant and equipment

Accounting policy

Property, plant and equipment are stated at cost, net of accumulated depreciation (other than freehold land) and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Capitalisation of costs in the carrying amount of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the Company. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by the Company are recognised in

the Statement of profit and loss. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit & Loss for the year in which such expenses are incurred.

Capital work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipments are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit & Loss under 'Other expenses' or 'Other income' when the asset is derecognised.

Depreciation on Property, plant and equipment's is calculated on pro rata basis on straight-line method using the management assessed useful lives of the assets which is in line with the manner prescribed in Schedule II of the Companies Act, 2013. The useful life is as follows:

Assets	Useful life
Buildings	30-60 years
Plant and equipments	3-15 years
Electrical installations	10 years
Furniture and fixtures	10 years
Office equipments	3-6 years
Windmill	22 years
Vehicles	8-10 years
Leasehold land and improvements	Lower of useful life of the asset or lease term

In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from those classes of assets. The Company uses its technical expertise along with historical and industry trends for arriving at the economic life of an asset.

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



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for the year ended 31 March 2024

prospectively. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

The changes in the carrying value of Property, plant and equipment for the year ended 31 March 2024 are as follows:

	(₹ million)										
	Freehold land	Buildings	Plant and equipments	Electrical installations	Furniture and fixtures	Office equipments	Windmill	Vehicles	Lease-hold improvements	Total	Capital Work in progress
Gross carrying value (at cost)											
As at 01 April 2023 (Restated)	1,047.01	12,488.83	15,062.82	1,211.84	292.35	617.00	294.99	35.23	3.42	31,053.49	2,492.69
Additions	93.10	1,057.69	2,522.42	513.20	68.65	228.58	-	5.00	-	4,488.64	6,506.16
Transfer	-	(830.34)	-	-	-	-	-	-	-	(830.34)	(3,630.05)
Disposals/Adjustments	-	-	(18.45)	-	(1.21)	(5.22)	-	(1.02)	-	(25.90)	-
As at 31 March 2024	1,140.11	12,716.18	17,566.79	1,725.04	359.79	840.36	294.99	39.21	3.42	34,685.89	5,368.80
Accumulated depreciation											
As at 01 April 2023 (Restated)	-	1,955.34	8,317.00	494.92	105.98	301.51	125.77	11.71	3.10	11,315.33	-
Depreciation charge for the year	-	404.23	1,497.19	115.79	25.32	109.96	15.72	4.57	0.06	2,172.84	-
Disposals/Adjustment	-	(67.36)	(16.06)	-	(0.43)	(4.90)	-	(0.97)	-	(89.72)	-
As at 31 March 2024	-	2,292.21	9,798.13	610.71	130.87	406.57	141.49	15.31	3.16	13,398.45	-
Net carrying value											
As at 31 March 2024	1,140.11	10,423.97	7,768.66	1,114.33	228.92	433.79	153.50	23.90	0.26	21,287.44	5,368.80

The changes in the carrying value of Property, plant and equipment for the year ended 31 March 2023 are as follows:

	(₹ million)										
	Freehold land	Buildings	Plant and equipments	Electrical installations	Furniture and fixtures	Office equipments	Windmill	Vehicles	Lease-hold improvements	Total	Capital Work in progress
Gross carrying value (at cost)											
As at 01 April 2022	1,054.75	9,048.05	13,264.73	1,035.12	201.04	444.35	294.99	37.78	3.42	25,384.23	3,744.81
Acquired on account of merger with Silvan Innovation Labs Private Limited (Refer note 45)	-	-	-	-	0.69	2.93	-	-	-	3.62	-
Additions	18.47	3,523.64	1,901.66	176.72	90.62	178.42	-	6.81	-	5,896.34	3,892.24
Transfer	-	-	-	-	-	-	-	-	-	-	(5,144.36)
Disposals/Adjustments	(26.21)	(82.86)	(103.57)	-	-	(8.70)	-	(9.36)	-	(230.70)	-
As at 31 March 2023 (Restated)	1,047.01	12,488.83	15,062.82	1,211.84	292.35	617.00	294.99	35.23	3.42	31,053.49	2,492.69
Accumulated depreciation											
As at 01 April 2022	-	1,629.40	7,058.06	405.45	86.94	241.31	110.05	13.12	2.89	9,547.22	-
Acquired on account of merger with Silvan Innovation Labs Private Limited (Refer note 45)	-	-	-	-	0.55	2.77	-	-	-	3.32	-
Depreciation charge for the year	-	336.39	1,353.23	89.47	18.49	65.54	15.72	4.93	0.21	1,883.98	-
Disposals/Adjustment	-	(10.45)	(94.29)	-	-	(8.11)	-	(6.34)	-	(119.19)	-
As at 31 March 2023 (Restated)	-	1,955.34	8,317.00	494.92	105.98	301.51	125.77	11.71	3.10	11,315.33	-
Net carrying value											
As at 31 March 2023 (Restated)	1,047.01	10,533.49	6,745.82	716.92	186.37	315.49	169.22	23.52	0.32	19,738.16	2,492.69

Notes:

- (a) Capital work in progress includes machinery in transit 394.91 million (31 March 2023 : 193.97 million).
 (b) All property, plant and equipment are held in the name of the Company, except which are shown below:

Notes to Standalone Financial Statements

for the year ended 31 March 2024

As at 31 March 2024

Description of item of property	Held in the name of	Gross carrying value (₹ million)	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Freehold land-Daman	Dinesh Gupta	1.42	No	2008	Mutation is in process

As at 31 March 2023

Description of item of property	Held in the name of	Gross carrying value (₹ million)	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Freehold land-Daman	Dinesh Gupta	1.42	No	2008	Mutation is in process

- (c) Title deed is in dispute for freehold land amounting to ₹10.48 million (31 March 2023: ₹10.48 million) and is pending resolution with government authority at Gujarat.
 (d) CWIP aging schedule as at 31 March 2024

	(₹ million)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Cable & Wire Projects	4,069.70	513.12	11.11	-	4,593.93
FMEG Projects	430.73	48.60	44.69	-	524.02
Other Projects	130.33	48.73	71.79	-	250.85
	4,630.76	610.45	127.59	-	5,368.80

CWIP aging schedule as at 31 March 2023

	(₹ million)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Cable & Wire Projects	1,182.60	409.51	19.73	91.01	1,702.85
FMEG Projects	574.27	86.44	2.34	-	663.05
Other Projects	112.87	8.90	3.50	1.52	126.79
	1,869.74	504.85	25.57	92.53	2,492.69

For the purpose of this disclosure, the Company has identified project as the smallest group of assets having a common intended use.

- (e) Direct capitalisation of Property, plant and equipments during the year are given as under:

	(₹ million)										
	Freehold land	Buildings	Plant and equipments	Electrical installations	Furniture and fixtures	Office equipments	Windmill	Vehicles	Lease-hold improvements	Total	
FY 2023-24	93.10	3.26	602.70	11.18	28.97	114.38	-	5.00	-	858.59	
FY 2022-23	18.47	424.30	224.26	7.77	22.18	48.19	-	6.81	-	751.98	

- (f) Transfer to Investment Property Under Construction as on 31 March 2024 of net amount ₹762.98 million (31 March 2023: Nil) (Refer note 4).
 (g) In CWIP completion schedule: there is no significant overdue or cost exceeding compared to its original plan.
 (h) Assets pledged and hypothecated against borrowings - Refer note 38(B).
 (i) 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.
 (j) For capital expenditures contracted but not incurred - Refer note 35(B).



Notes to Standalone Financial Statements

for the year ended 31 March 2024

4. Investment Property Under Construction

Accounting policy

Investment properties that are not intended to be occupied substantially for use by, or in the operations of the Company have been considered as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Company does not charge depreciation to investment property land which is held for future undetermined use. Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property, the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

The Company depreciates its investment properties over the useful life which is similar to that of property, plant and equipment.

	(₹ million)	
	Land	Total
Gross carrying value (at cost)		
As at 01 April 2023	-	-
Additions	762.98	762.98
Transfer	-	-
Disposals/Adjustments	-	-
As at 31 March 2024	762.98	762.98

	(₹ million)	
	Land	Total
Accumulated depreciation		
As at 01 April 2023	-	-
Depreciation charge for the year	-	-
Disposals/Adjustment	-	-
As at 31 March 2024	-	-
Net carrying value		
As at 31 March 2024	762.98	762.98

The Company's investment properties consist of vacant land (including incidental vacant building on it) in Mumbai. Management determined that the investment properties consist of one class based on the nature, characteristics and risks of the property.

On 31 March 2024, the Company transferred ₹762.98 million from property, plant and equipment (Refer note 3) based on the then intention of the management, to investment property under construction, since the property is held for a currently undetermined future use.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. Fair value hierarchy disclosures for investment properties are in Note 38B.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

In accordance with Ind AS 113, the fair value of investment property is determined by the Company at ₹847.00 million following the risk-adjusted discounted cash flow method and based on Level 3 inputs from an independent accredited valuation expert, as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, with relevant valuation experience for similar properties. The fair valuation is mainly based on location and locality, current real estate prices in the active market for similar properties. The main inputs used are area, location, construction cost, demand, weighted-average cost of capital and trend of real estate market at the location. As at 31 March 2024, the fair value of the properties are based on valuations performed by Bharat Shah & Associates, an accredited independent registered valuer.

5. Right of use assets

Accounting policy

i. The 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: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) 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 asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and leases with low value assets. For these short-term, variable lease 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.

The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment.

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 right-of-use 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.

Right-of-use 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.

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 right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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 has used a single discount rate to a portfolio of leases with similar characteristics.

ii. The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.



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for the year ended 31 March 2024

iii. Finance lease

The Company has entered into land lease arrangement at various locations. Terms of such lease ranges from 30-90 years. In case of lease of land for 90 years and above, it is likely that such leases meet the criteria that at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset.

iv. Others

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognise right-of-use assets and liabilities for short term leases, variable lease and leases of low value assets.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2024

	Category of ROU asset		Total
	Leasehold Land	Buildings	
(₹ million)			
Gross carrying value			
As at 01 April 2023 (Restated)	41.74	512.98	554.72
Additions	2.79	342.03	344.82
Disposals	-	(84.47)	(84.47)
As at 31 March 2024	44.53	770.54	815.07
Accumulated depreciation			
As at 01 April 2023 (Restated)	1.96	195.33	197.29
Depreciation charge for the year	0.49	150.98	151.47
Disposals	-	(69.69)	(69.69)
As at 31 March 2024	2.45	276.62	279.07
Net carrying value			
As at 31 March 2024	42.08	493.92	536.00

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2023

	Category of ROU asset		Total
	Leasehold Land	Buildings	
(₹ million)			
Gross carrying value			
As at 01 April 2022	41.74	477.94	519.68
Additions	-	173.45	173.45
Disposals	-	(138.41)	(138.41)
As at 31 March 2023	41.74	512.98	554.72
Accumulated depreciation			
As at 01 April 2022	1.42	173.08	174.50
Depreciation charge for the year	0.54	130.51	131.05
Disposals	-	(108.26)	(108.26)
As at 31 March 2023	1.96	195.33	197.29
Net carrying value			
As at 31 March 2023	39.78	317.65	357.43

Notes to Standalone Financial Statements

for the year ended 31 March 2024

The following is the break-up of current and non-current lease liabilities for the year end:

	(₹ million)	
	31 March 2024	31 March 2023
Non-current lease liabilities	198.46	221.46
Current lease liabilities	313.98	136.99
	512.44	358.45

The following is the movement in lease liabilities for the year end:

	(₹ million)	
	31 March 2024	31 March 2023
Balance at the beginning of the year	358.45	343.26
Additions	343.23	169.53
Finance cost incurred during the year	35.07	32.55
Deletions	(14.79)	(29.52)
Payment of lease liabilities	(209.52)	(157.37)
	512.44	358.45

The table below provides the contractual maturities of lease liabilities of non-cancellable contractual commitments on an undiscounted basis.

	(₹ million)	
	31 March 2024	31 March 2023
Less than one year	172.35	160.28
One to five years	335.31	246.16
More than five years	188.86	7.56
	696.52	414.00

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following are the amounts recognised in profit or loss:

	(₹ million)	
	31 March 2024	31 March 2023
Depreciation expense of right-of-use assets	151.47	131.05
Interest expense on lease liabilities	35.07	32.55
Interest income on fair value of security deposit	(3.15)	(2.64)
Expense relating to short-term leases (included in other expenses)	43.04	38.76
Expense relating to leases of low-value assets (included in other expenses)	0.17	7.69
Variable lease payments (included in other expenses)	-	5.50
	226.60	212.91

Lease contracts entered by the Company majorly pertains for warehouse taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

The Company had total cash outflows for leases of ₹209.52 million in 31 March 2024 (₹157.37 million in 31 March 2023).

Company as a lessor

Future undiscounted minimum rentals receivable under non-cancellable operating leases as at 31 March are as follows:

	(₹ million)	
	31 March 2024	31 March 2023
Less than one year	9.81	16.17
One to five years	7.69	9.12
More than five years	-	-
	17.50	25.29



Notes to Standalone Financial Statements

for the year ended 31 March 2024

6. Other intangible assets

Accounting policy

i. Other intangible assets acquired separately

Other intangible assets acquired are reported at cost less accumulated amortisation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortisation on other intangible assets is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013. The useful life is as follows:

Assets	Useful life
Computer software	3 year
Technical Know-how	5 year

The residual values, useful lives and methods of amortisation of Other intangible assets are reviewed at each financial year end and adjusted prospectively.

ii. Intellectual Property

Brands/trademarks acquired separately are measured on initial recognition at the fair value of consideration paid. Following initial recognition, brands/trademarks are carried at cost less any accumulated amortisation and impairment losses, if any. The useful lives of brands/trademarks are assessed to be either finite or indefinite. The assessment includes whether the brand/trademark name will continue to trade and the expected lifetime of the brand/trademark. Amortisation is charged on assets with finite lives on a straight-line basis over a period appropriate to the asset's useful life.

The Company owns 282 number as on 31 March 2024 (166 number as on 31 March 2023) registered trademarks pertaining to Brand, Sub-brands and Designs in India. The Company has also entered into royalty agreements with few companies for use of Polycab brand on specific products and charges fees for the same. These intellectual property and royalty income are solely owned and earned by the company and is not shared with any stakeholder. Intellectual Property has not been capitalised in the books as it does not meet the recognition criteria in Ind AS 38.

iii. Research and development expenditure

Expenditure on research and development activities is recognised in the Statement of Profit and Loss as incurred. Development expenditure is capitalised as part of cost of the resulting other intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in Statement of profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any. During the year, the Company has incurred Capital R&D expenditure amounting to ₹27.83 million (31 March 2023 ₹150.95 million) which have been included in property, plant and equipment. Further, Revenue R&D expenditure incurred amounting to ₹232.45 million (31 March 2023 ₹191.86 million) which have been charged to the respective revenue accounts.

iv. De-recognition of other intangible assets

Other intangible asset is derecognised on disposal or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset is calculated as the difference between the net disposal proceeds and the carrying amount of the asset. Such gains or losses is recognised in the statement of profit and loss under 'Other expenses' or 'Other income'.

v. Goodwill

Goodwill is measured at cost less any accumulated impairment losses. Goodwill acquired in a business combination is, from the acquisition date, allocated to cash-generating units that are expected to benefit from the combination.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Based on the results of the Goodwill impairment test, the estimated value in use in all CGUs were higher than their respective carrying amount, hence impairment provision recorded during the current year is ₹ Nil (31 March 2023 - ₹ Nil). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the Goodwill.

The changes in the carrying value of Other intangible assets for the year ended 31 March 2024 are as follows:

	(₹ million)		
	Technical Know-how	Computer Software	Total
Gross carrying value (at cost)			
As at 01 April 2023 (Restated)	218.86	129.28	348.14
Additions	-	48.22	48.22
Disposals/Adjustments	-	-	-
As at 31 March 2024	218.86	177.50	396.36
Accumulated amortisation			
As at 01 April 2023 (Restated)	117.84	109.14	226.98
Amortisation charge for the year	27.28	19.81	47.09
Disposals/ Adjustments	-	-	-
As at 31 March 2024	145.12	128.95	274.07
Net carrying value			
As at 31 March 2024	73.74	48.55	122.29

The changes in the carrying value of Other intangible assets for the year ended 31 March 2023 are as follows:

	(₹ million)		
	Technical Know-how	Computer Software	Total
Gross carrying value (at cost)			
As at 01 April 2022	-	109.24	109.24
Acquired on account of merger with Silvan Innovation Labs Private Limited (Refer note 45)	218.86	-	218.86
Additions	-	20.04	20.04
Disposals/ Adjustments	-	-	-
As at 31 March 2023 (Restated)	218.86	129.28	348.14
Accumulated amortisation			
As at 01 April 2022	-	100.23	100.23
Acquired on account of merger with Silvan Innovation Labs Private Limited (Refer note 45)	85.21	-	85.21
Amortisation charge for the year	32.63	8.91	41.54
Disposals/ Adjustments	-	-	-
As at 31 March 2023 (Restated)	117.84	109.14	226.98
Net carrying value			
As at 31 March 2023 (Restated)	101.02	20.14	121.16

Note: The Other intangible assets include license and software of Gross carrying amount of ₹107.39 million (31 March 2023: ₹92.78 million) which has been fully amortised over the past periods and are being used by the Company.



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for the year ended 31 March 2024

7. Investment

Accounting policy

Investment in subsidiaries and joint ventures

The Company considers an investee company as a subsidiary company when it controls the investee company. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether joint control is similar to those necessary to determine control over the subsidiaries.

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss under 'Other Income' or 'Other Expenses'.

A. Non-current investments

(₹ million)					
	Face Value Per Unit	Number	31 March 2024	Number	31 March 2023
Investments carried at amortised cost (Unquoted)					
Investment in Equity Instruments of Subsidiaries (Fully paid-up)					
Tirupati Reels Private Limited	₹10	33,00,000	33.00	33,00,000	33.00
Dowells Cable Accessories Private Limited	₹10	54,00,000	67.67	54,00,000	67.67
Uniglobus Electricals and Electronics Private Limited	₹10	90,00,000	90.00	90,00,000	90.00
Polycab Australia Pty Ltd	AU\$ 1	2,05,000	11.66	2,05,000	11.66
Polycab Support Force Private Limited	₹10	2,60,000	2.60	2,60,000	2.60
Steel Matrix Private Limited	₹10	1,00,000	1.00	75,000	0.75
Polycab Electricals And Electronics Private Limited	₹10	1,00,000	1.00	1,00,000	1.00
			206.93		206.68
Investment in Equity Instruments of Joint Venture (Fully paid-up)					
Techno Electromech Private Limited	₹10	40,40,000	105.20	40,40,000	105.20
Provision for impairment of Techno Electromech Private Limited			(105.20)		-
			-		105.20
Total Non-current investments			206.93		311.88
Aggregate amount of unquoted investments			206.93		311.88
Aggregate amount of impairment value of investments			-		-

- (a) Refer note 36A for information on financial information, principal place of business, activities and the Company's ownership interest in the above subsidiaries and joint venture.
- (b) Refer note 45 for scheme of amalgamation between the Company and Silvan Innovation Labs Private Limited.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

- (c) On 29 June 2023, the Company acquired additional 25,000 shares at face value of ₹10 each of Steel Matrix Private Limited for a purchase consideration of ₹0.25 million making it a wholly owned subsidiary of the Company.

B. Current Investments

(₹ million)		
	31 March 2024	31 March 2023
Investments measured at FVTPL (Quoted)		
Held for sale		
Investments in debt mutual funds	18,036.45	13,504.95
	18,036.45	13,504.95
Aggregate amount of quoted investments – At cost	17,925.42	13,456.13
Aggregate amount of quoted investments – At market value	18,036.45	13,504.95

Notes :

- (a) Refer note 38 for accounting policies on financial instruments for methods of valuation.
- (b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended 31 March 2024 (31 March 2023: Nil).

8. Trade receivables

(₹ million)		
	31 March 2024	31 March 2023
Unsecured (at amortised cost)		
Non Current		
Trade receivables – Considered Good (Unsecured)	1,190.70	526.37
Non-current Trade receivables	1,190.70	526.37
Current		
Trade receivables – Considered Good (Unsecured)	19,952.56	12,360.32
Trade receivables – Credit Impaired	315.66	455.61
Receivables from related parties – Considered Good (Unsecured) (Refer note - 36)	4,075.79	552.76
Trade receivables (Gross)	24,344.01	13,368.69
Less: Impairment allowance for trade receivables	(1,350.27)	(1,159.49)
Current Trade receivables (Net)	22,993.74	12,209.20

The following table summarises the change in impairment allowance measured using the life time expected credit loss model:

(₹ million)		
	31 March 2024	31 March 2023
At the beginning of year		
Additions on account of merger with Silvan Innovation Labs Private Limited (Refer note- 45)	1.86	0.11
Provision during the year	305.26	(25.57)
Bad debts written off (net)	(116.34)	(58.81)
At the end of the year	1,350.27	1,159.49

Notes:

- (a) Trade receivables are usually non-interest bearing and are generally on credit terms up to 90 days except EPC business. The Company's term includes charging of interest for delayed payment beyond agreed credit days. Company charges interest for delayed payments in certain cases depending on factors, such as, market conditions and past realisation trend.
- (b) For EPC business, trade receivables are non-interest bearing and credit terms are specific to contracts.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

- (c) For explanations on the Company's credit risk management processes, refer note 39(B).
- (d) For trade receivables, the Company applies a simplified approach in calculating Expected credit loss (ECL). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.
- (e) Trade receivables have been pledged as security against bank borrowings, the terms relating to which have been described in note 38B.
- (f) Refer note 38 for accounting policies on financial instruments.
- (g) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further, no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. Refer note 36 for the terms and conditions pertaining to related party disclosures.
- (h) Non-current trade receivables are not due.
- (i) **Trade receivables ageing schedule – Current**

As at 31 March 2024

(₹ million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – Considered Good	13,507.17	8,361.95	1,477.93	401.01	208.51	71.78	24,028.35
(ii) Undisputed Trade Receivables – Credit Impaired	-	-	-	-	79.80	44.01	123.81
(iii) Disputed Trade Receivables – Considered Good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Credit Impaired	-	-	-	-	(0.00)	191.85	191.85
	13,507.17	8,361.95	1,477.93	401.01	288.31	307.64	24,344.01
Less: Impairment allowance for trade receivables							(1,350.27)
Total Current trade receivable							22,993.74

As at 31 March 2023

(₹ million)

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – Considered Good	9,445.98	2,464.36	244.66	534.56	100.68	122.44	12,912.68
(ii) Undisputed Trade Receivables – Credit Impaired	-	0.02	-	0.06	75.92	111.83	187.83
(iii) Disputed Trade Receivables – Considered Good	-	-	-	0.40	-	-	0.40
(iv) Disputed Trade Receivables – Credit Impaired	-	-	-	-	15.00	252.78	267.78
	9,445.98	2,464.38	244.66	535.02	191.60	487.05	13,368.69
Less: Impairment allowance for trade receivables							(1,159.49)
Total Current trade receivable							12,209.20

Notes to Standalone Financial Statements

for the year ended 31 March 2024

9. Cash and cash equivalents

(₹ million)

	31 March 2024	31 March 2023
At amortised cost		
Balances with banks		
In current accounts (i)	1,261.33	1,019.41
Deposits with original maturity of less than 3 months (ii)	1,290.10	200.00
Cash on hand	0.01	0.57
	2,551.44	1,219.98

- (i) There is no repatriation restriction with regard to cash and cash equivalents at the end of reporting period and prior periods.
- (ii) Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

10. Bank balance other than cash and cash equivalents

(₹ million)

	31 March 2024	31 March 2023
At amortised cost		
Deposits with original maturity for more than 3 months but less than 12 months (i)	526.03	5,237.44
Earmarked balance (ii)	2.04	1.56
	528.07	5,239.00

- (i) Fixed deposit of ₹7.80 million (31 March 2023: ₹12.69 million) is restricted for withdrawal, as it is lien against project specific advance.
- (ii) Earmarked balances with banks relate to unclaimed dividends (Refer note 21).

11. Loans – Current

(₹ million)

	31 March 2024	31 March 2023
At amortised cost		
Loans (Considered good – Unsecured)		
Loans to related party (Refer note - 36)	1,055.00	105.00
Loans to employees	6.26	3.47
	1,061.26	108.47

Note: Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of Companies Act, 2013

(A) Amount of loans outstanding from Subsidiaries and Joint Venture:

(₹ million)

	Interest Rate	Outstanding as at		Maximum amount outstanding during the year	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
(i) Subsidiaries					
Unsecured, considered good					
Polycab Support Force Private Limited (has utilised this loan for general corporate purpose)	10.25%	5.00	5.00	5.00	12.50
Uniglobus Electricals and Electronics Private Limited (has utilised this loan for general corporate purpose)	10.25%	950.00	-	950.00	56.61
(ii) Joint Venture					
Unsecured, considered good					
Techno Electromech Private Limited (has utilised this loan for general corporate purpose)	10.50%	100.00	100.00	100.00	100.00



Notes to Standalone Financial Statements

for the year ended 31 March 2024

(B) Amount of loans outstanding from Subsidiaries and Joint Venture:

	(₹ million)			
	31 March 2024	%	31 March 2023	%
(i) Subsidiaries				
Unsecured, considered good				
Uniglobus Electricals and Electronics Private Limited	950.00	90%	-	0%
Polycab Support Force Private Limited	5.00	1%	5.00	5%
(ii) Joint Venture				
Unsecured, considered good				
Techno Electromech Private Limited	100.00	9%	100.00	95%

(C) Details of investments made are given in Note 7A and 36E.

(D) Details of guarantee issued and outstanding are given in Note 36F. Guarantees are issued by the Company in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder.

(E) The Company has complied with the provision section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

(F) The Company has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

(G) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(H) Loan has been given to related parties are repayable on demand.

12. Other financial assets

A Other financial assets – Non-current

	(₹ million)	
	31 March 2024	31 March 2023
At amortised cost		
Unsecured, considered good		
Earnest money deposits	9.70	15.31
Security deposits	22.79	35.48
Deposits with bank having maturity period of more than 12 months	2.70	-
Others (Refer below note)	195.50	-
	230.69	50.79

Note: Others mainly pertains to the premium receivable on EPC contracts which are recognised as per Ind AS 109 at the present value of contractual premiums expected to be collected.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

B Other financial assets – Current

	(₹ million)	
	31 March 2024	31 March 2023
At amortised cost		
Unsecured, considered good		
Security deposits and Earnest money deposits (A)	106.11	24.83
Rental deposits, unsecured, considered good		
Related Parties (Refer note - 36)	6.17	6.17
Other than Related Parties	24.55	23.82
	(B) 30.72	29.99
Interest accrued on bank deposits	12.17	142.92
Interest receivables		
Related Parties (Refer note - 36)	2.81	2.46
Other than Related Parties	1.29	1.02
Others (Refer (i) below)	137.47	84.33
	(C) 153.74	230.73
At FVTPL		
Derivative Assets (Refer (ii) below) (D)	23.62	7.86
	(A+B+C+D) 314.19	293.41

Notes:

(i) Others mainly pertains to the premium receivable on EPC contracts which are recognised as per Ind AS 109 at the present value of contractual premiums expected to be collected and the capital debtors.

(ii) **Derivative Assets**

	(₹ million)	
	31 March 2024	31 March 2023
Embedded derivatives	1.99	-
Foreign exchange forward contract	21.63	7.86
	23.62	7.86

13. Income taxes

Accounting policy

Income tax expenses comprise current tax and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Income tax received / receivable pertains to prior period recognised when it is probable that refund acknowledged by the Income-tax department will arise. Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences only to the extent that it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

The tax jurisdiction of the Company is India. The Company's tax return for past years are generally subject to examination by the tax authorities. The Company has made provisions for taxes basis its best judgement, considering past resolutions to disputed matters by adjudicating authorities, prior year assessments and advice from external experts, if required. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax laws and prior experience.

A Income tax expense in the statement of profit and loss comprises:

	(₹ million)	
	31 March 2024	31 March 2023
Current tax:		
In respect of current year	5,342.98	3,956.73
Adjustments of tax relating to earlier years	15.76	1.84
	5,358.74	3,958.57
Deferred tax:		
Relating to origination and reversal of temporary differences	99.66	202.74
Adjustments of tax relating to earlier years	32.04	(1.05)
	131.70	201.69
	5,490.44	4,160.26

B OCI section – Deferred tax related to items recognised in OCI during the year:

	(₹ million)	
	31 March 2024	31 March 2023
Net loss/(gain) on remeasurements of defined benefit plans	(22.79)	8.78
Net loss/(gain) on Designated Cash Flow Hedges	-	(0.15)
	(22.79)	8.63

C Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate:

	(₹ million)	
	31 March 2024	31 March 2023
Profit before tax	23,187.11	16,850.35
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expenses	5,835.73	4,240.90
Effect of differential tax impact due to the following (tax benefit)/ tax expenses:		
CSR expenses	65.19	56.58
Deferred government grants	(47.05)	(35.29)
Others	(411.23)	(102.72)
Adjustments of tax relating to earlier years	47.80	0.79
	5,490.44	4,160.26

Notes to Standalone Financial Statements

for the year ended 31 March 2024

D Details of tax assets / (liabilities)

	(₹ million)	
	31 March 2024	31 March 2023
Non-current tax assets (net of provision for taxation)	170.77	147.33
Current tax liabilities (net of advance tax)	(111.29)	(283.94)
Net current tax asset / (liability)	59.48	(136.61)

E Movement in the net current tax assets/ (liability)

	(₹ million)	
	31 March 2024	31 March 2023
Net current tax asset / (liability) at the beginning of the year	(136.61)	216.83
Income tax paid	5,554.83	3,603.73
Current tax expense	(5,342.98)	(3,956.73)
Acquired on account of merger with Silvan Innovation Labs Private Limited	-	1.40
Adjustments of tax relating to earlier years	(15.76)	(1.84)
Net current tax asset / (liability) at the end of the year	59.48	(136.61)

F The movement in net deferred tax assets and liabilities

For the year ended 31 March 2024

	(₹ million)			
	Carrying value as at 01 April 2023	Changes through profit and loss	Changes through OCI	Carrying value as at 31 March 2024
Deferred tax assets / (liabilities) in relation to				
Property, plant and equipment and other intangible assets	(756.45)	(96.15)	-	(852.60)
Provision for employee benefits	115.25	28.02	22.79	166.06
Receivables, financial assets at amortised cost	263.41	(139.08)	-	124.33
Lease liabilities	3.38	(1.49)	-	1.89
Others	(34.65)	77.00	-	42.35
Total deferred tax assets / (liabilities)	(409.06)	(131.70)	22.79	(517.97)

For the year ended 31 March 2023

	(₹ million)			
	Carrying value as at 01 April 2022	Changes through profit and loss	Changes through OCI	Carrying value as at 31 March 2023
Deferred tax assets / (liabilities) in relation to				
Property, plant and equipment and other intangible assets	(652.24)	(104.21)	-	(756.45)
Provision for employee benefits	93.26	30.77	(8.78)	115.25
Cash flow hedges	(0.15)	-	0.15	-
Receivables, financial assets at amortised cost	310.03	(46.62)	-	263.41
Lease liabilities	1.15	2.23	-	3.38
On account of merger with Silvan Innovation Labs Private Limited	52.37	(52.37)	-	-
Others	(3.16)	(31.49)	-	(34.65)
Total deferred tax assets / (liabilities)	(198.74)	(201.69)	(8.63)	(409.06)



Notes to Standalone Financial Statements

for the year ended 31 March 2024

G Reconciliation of deferred tax assets/ liabilities (net):

	(₹ million)	
	31 March 2024	31 March 2023
Net deferred tax asset / (liability) at the beginning of the year	(409.06)	(198.74)
Tax (income)/expense on adjustment of tax relating to earlier year	(32.04)	1.05
Tax (income)/expense recognised in profit or loss	(99.66)	(202.74)
Tax (income)/expense recognised in OCI	22.79	(8.63)
Net deferred tax asset / (liability) at the end of the year	(517.97)	(409.06)

H Details of transaction not recorded in the books of accounts that has been surrendered/ disclosed as income during the year in the tax assessments (e.g. search) ₹ Nil (31 March 2023 ₹ Nil).

I The Company does not have any unrecorded income and assets related to previous years which are required to be recorded during the year.

J Refer note 46 for Income tax search activity.

14. Other assets

A Other assets – Non-current

	(₹ million)	
	31 March 2024	31 March 2023
Capital advances		
Unsecured, considered good	2,245.63	786.85
Unsecured, considered doubtful	6.62	136.62
Gross Capital Advances	2,252.25	923.47
Less : Impairment allowance for doubtful advance (Refer note (a) below)	(6.62)	(136.62)
Net Capital Advances (A)	2,245.63	786.85
Advances other than capital advances		
Unsecured, considered good		
Prepaid expenses	87.22	75.73
Balances with statutory/government authorities	202.54	215.54
(B)	289.76	291.27
(A)+(B)	2,535.39	1,078.12

Note:

(a) Change in impairment allowance for doubtful advances

	(₹ million)	
	31 March 2024	31 March 2023
At the beginning of year	136.62	6.62
Provision/(reversal) during the year	(130.00)	130.00
At the end of the year	6.62	136.62

Notes to Standalone Financial Statements

for the year ended 31 March 2024

B Other assets – Current

	(₹ million)	
	31 March 2024	31 March 2023
Advances other than capital advances		
Unsecured, considered good		
Advances for materials and services	2,992.94	2,875.80
Advances for materials and services - Related parties (Refer note 36)	34.52	169.10
Contract asset (Refer below note(a))		
Unsecured, considered good	365.59	135.54
Credit Impaired	15.23	5.65
Less: Impairment allowance for Contract assets – Credit impaired (Refer below note (b & c))	(15.23)	(5.65)
	365.59	135.54
Others		
Unsecured, considered good		
Prepaid expenses	215.26	28.65
Balances with statutory/government authorities	3,156.91	2,630.21
Export incentive receivable	33.67	25.67
Right of return assets (Refer below note (d))	306.60	286.19
Others	-	0.13
	7,105.49	6,151.29

Notes:

(a) Reconciliation of Contract assets:

	(₹ million)	
	31 March 2024	31 March 2023
At the beginning of year	135.54	95.09
Unbilled revenue	292.86	153.54
Billed to customer	(72.39)	(106.92)
Impairment allowance	9.58	(6.17)
At the end of the year	365.59	135.54

(b) For contract assets, the Company applies a simplified approach in calculating Expected credit loss (ECL). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(c) Change in impairment allowance:

	(₹ million)	
	31 March 2024	31 March 2023
At the beginning of year	5.65	11.82
Provision during the year	9.58	(6.17)
At the end of the year	15.23	5.65

(d) Reconciliation of Right of return assets:

	(₹ million)	
	31 March 2024	31 March 2023
At the beginning of the year	286.19	287.24
Arising during the year	244.00	314.30
Utilised during the year	(223.59)	(315.35)
At the end of the year	306.60	286.19



Notes to Standalone Financial Statements

for the year ended 31 March 2024

15. Inventories

Accounting policy

Raw materials, stock in trade, work in progress, finished goods, packing materials, project material for long term contracts, scrap materials and stores and spares are valued at lower of cost or net realisable value ("NRV") after providing for obsolescence and other losses, where considered necessary on an item-by-item basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of raw materials, packing materials, and stores and spares is determined on a First In-First Out (FIFO) basis and includes all applicable costs, including inward freight, incurred in bringing goods to their present location and condition.

Cost of work-in-progress and finished goods includes direct materials as aforesaid, direct labour cost and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed.

Cost of stock-in-trade includes cost of purchase and includes all applicable costs, including inward freight, incurred in bringing the inventories at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been taken at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Copper and aluminium is purchased on provisional price with option to fix the purchase price based on current or future pricing model based on LME. Such feature is kept to hedge against exposure in the value of inventory of copper and aluminium due to volatility in copper and aluminium prices. Since, the value of the copper and aluminium changes with response to change in commodity pricing index, embedded derivatives (ED) is identified and separated from the host contract. The ED so separated, is treated like commodity derivative and qualifies for hedge accounting. These derivatives are put into a Fair Value hedge relationship with respect to unpriced inventory. The Company designates only the spot-to-spot movement of the copper and aluminium inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. Hedge accounting is discontinued when the hedging instrument is settled, or when it no longer qualifies for hedge accounting or when the hedged item is sold (Refer note 40).

	(₹ million)	
	31 March 2024	31 March 2023
Raw materials	14,389.08	12,435.14
Work-in-progress	3,451.89	2,174.94
Finished goods	10,940.66	11,089.02
Stock-in-trade	793.84	1,198.92
Stores and spares	447.12	322.12
Packing materials	412.48	385.04
Scrap materials	639.11	429.91
Project materials for long-term contracts	1,456.82	633.99
	32,531.00	28,669.08

Note:

(a) The above includes goods in transit as under:

	(₹ million)	
	31 March 2024	31 March 2023
Raw Material	623.54	557.34
Stock-in-trade	19.71	23.17
Stores and spares	15.42	11.40
Project materials for long-term contracts	195.50	3.58

Notes to Standalone Financial Statements

for the year ended 31 March 2024

- (b) The above includes inventories held by third parties amounting to ₹4,629.37 million (31 March 2023 - ₹5,212.98 million)
- (c) During the year ended 31 March 2024, ₹5.52 million (31 March 2023 - ₹4.32 million) was recognised as an expense for inventories carried at net realisable value.
- (d) Inventories are hypothecated with the bankers against working capital limits (Refer note 38B).

16. Equity Share Capital

	(₹ million)	
	31 March 2024	31 March 2023
Authorised share capital		
Equity shares, ₹10 per value 18,92,50,000 (31 March 2023: 18,92,50,000) equity shares*	1,892.50	1,892.50
Issued, subscribed and fully paid-up shares		
Equity shares, ₹10 per value 15,02,36,395 (31 March 2023: 14,97,65,278) equity shares	1,502.36	1,497.65
	1,502.36	1,497.65

* Number of equity shares reserved for issue under employee share based payment 10,12,383 (31 March 2023 : 7,86,160).

Notes:

(a) The reconciliation of shares outstanding and the amount of share capital as at 31 March 2024 and 31 March 2023 are as follow:

	31 March 2024		31 March 2023	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	149,765,278	1,497.65	149,443,040	1,494.43
Add: Shares issued on exercise of employee stock option	471,117	4.71	322,238	3.22
At the end of the year	150,236,395	1,502.36	149,765,278	1,497.65

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) The details of Shareholding of Promoters are as under as at 31 March 2024 and 31 March 2023 are as follows:

	31 March 2024		31 March 2023		% Change during the year
	Number of Shares	Amount	Number of Shares	Amount	
Mr. Inder T. Jaisinghani	18,873,976	12.56%	18,873,976	12.60%	(0.04%)
Mr. Girdhari T. Jaisinghani	14,636,283	9.74%	14,736,283	9.84%	(0.10%)
Mr. Ajay T. Jaisinghani	14,870,747	9.90%	17,870,747	11.93%	(2.03%)
Mr. Ramesh T. Jaisinghani	16,855,008	11.22%	17,525,008	11.70%	(0.48%)



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for the year ended 31 March 2024

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 30 Aug 2018 and 18 Oct 2018):

	Performance Scheme				
	Year 1	Year 2	Year 3	Year 4	Year 5
	15% vesting	15% vesting	20% vesting	20% vesting	30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.19%	0.19%	0.19%	0.19%	0.19%
Risk free interest rate	8.20%	8.20%	8.20%	8.20%	8.30%
Expected volatility	48.30%	48.20%	49.20%	48.20%	47.30%
Fair value per option	₹310.10	₹321.90	₹335.10	₹343.00	₹350.40
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 23 Jan 2021):

	Performance Scheme				
	Year 1	Year 2	Year 3	Year 4	Year 5
	15% vesting	15% vesting	20% vesting	20% vesting	30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.12%	0.11%	0.12%	0.11%	0.13%
Risk free interest rate	5.10%	5.29%	5.44%	5.59%	5.73%
Expected volatility	34.37%	34.25%	34.88%	35.42%	37.10%
Fair value per option	₹955.87	₹967.70	₹978.57	₹990.75	₹1,003.15
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 13 May 2021):

	Performance Scheme				
	Year 1	Year 2	Year 3	Year 4	Year 5
	15% vesting	15% vesting	20% vesting	20% vesting	30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.72%	0.65%	0.71%	0.65%	0.70%
Risk free interest rate	5.54%	5.68%	5.86%	6.03%	6.13%
Expected volatility	35.10%	34.88%	34.97%	35.55%	35.99%
Fair value per option	₹1,186.89	₹1,198.43	₹1,203.36	₹1,216.12	₹1,220.57
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 04 Oct 2021):

	Performance Scheme				
	Year 1	Year 2	Year 3	Year 4	Year 5
	15% vesting	15% vesting	20% vesting	20% vesting	30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.38%	0.34%	0.39%	0.36%	0.39%
Risk free interest rate	5.66%	5.84%	6.00%	6.15%	6.27%
Expected volatility	35.16%	35.35%	34.97%	35.06%	35.91%
Fair value per option	₹1,998.40	₹2,010.23	₹2,014.32	₹2,026.10	₹2,030.48
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

Notes to Standalone Financial Statements

for the year ended 31 March 2024

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 02 May 2022):

	Performance Scheme				
	Year 1	Year 2	Year 3	Year 4	Year 5
	15% vesting	15% vesting	20% vesting	20% vesting	30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.51%	0.51%	0.49%	0.49%	0.47%
Risk free interest rate	7.19%	7.27%	7.32%	7.38%	7.43%
Expected volatility	36.49%	36.16%	36.15%	35.82%	35.83%
Fair value per option	₹2,076.40	₹2,088.19	₹2,089.04	₹2,099.80	₹2,100.89
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 12 May 2023):

	Performance Scheme				
	Year 1	Year 2	Year 3	Year 4	Year 5
	15% vesting	15% vesting	20% vesting	20% vesting	30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.86%	0.87%	0.89%	0.91%	0.94%
Risk free interest rate	6.88%	6.92%	6.95%	6.95%	6.96%
Expected volatility	31.21%	31.08%	32.09%	31.92%	31.92%
Fair value per option	₹2,827.67	₹2,823.42	₹2,816.04	₹2,805.10	₹2,791.07
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 30 Aug 2018):

	Privilege Scheme
	Year 1 100% vesting
Exercise price	₹405
Dividend yield	0.19%
Risk free interest rate	8.30%
Expected volatility	47.30%
Fair value per option	₹350.40
Model used	Black Scholes



Notes to Standalone Financial Statements

for the year ended 31 March 2024

The activity in the ESOP Plan 2018 (ESOP Performance Scheme and ESOP Privilege Scheme) is as follows:

	31 March 2024		31 March 2023	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
ESOP Performance Scheme				
Outstanding at the beginning	777,910	405	1,254,909	405
Granted	887,500	405	34,000	405
Exercised and allotted	465,877	405	309,438	405
Exercised and pending allotment	11,500	405	3,740	405
Transfer to general reserve	770	405	-	405
Forfeited	174,880	405	197,821	405
Outstanding at the end	1,012,383	405	777,910	405
ESOP Privilege Scheme				
Outstanding at the beginning	8,250	405	10,250	405
Exercised and allotted	1,500	405	2,000	405
Transfer to general reserve	6,750	405	-	405
Outstanding at the end	-	405	8,250	405
Shares allotted under ESOP during the year				
	31 March 2024		31 March 2023	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
FY 2023-24				
ESOP Performance Scheme	465,877	405	309,438	405
ESOP Privilege Scheme	1,500	405	2,000	405
FY 2022-23				
ESOP Performance Scheme	3,740	405	10,800	405
ESOP Privilege Scheme	-	405	-	405
	471,117		322,238	

Options Vested but not exercised

	(₹ million)	
	31 March 2024	31 March 2023
ESOP Performance Scheme	67,883	139,940
ESOP Privilege Scheme	-	8,250

The break-up of employee stock compensation expense is as follow:

	(₹ million)	
	31 March 2024	31 March 2023
Granted to		
KMP and Executive Directors	58.99	3.07
Employees other than KMP and Executive Directors	505.25	104.54
	564.24	107.61

Notes to Standalone Financial Statements

for the year ended 31 March 2024

17. Other equity

	(₹ million)	
	31 March 2024	31 March 2023
Capital reserve	0.13	0.13
Securities premium	8,187.00	7,822.56
General reserve	653.71	651.69
ESOP outstanding	694.26	313.17
Retained earnings	70,397.95	55,766.36
Share application money pending allotment	8.71	2.78
	79,941.76	64,556.69

Notes:

(a) Capital Reserve:

The Company has created the reserve pursuant to amalgamation in an earlier years.

(b) Securities premium:

Amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions difference between fair value on grant date and nominal value of share is accounted as Securities Premium. It will be used as per the provision of Companies Act, 2013.

	(₹ million)	
	31 March 2024	31 March 2023
Opening balance	7,822.56	7,554.95
Add: Adjustment for exercise of stock option	364.44	267.61
	8,187.00	7,822.56

(c) General reserve

The Company had transferred a portion of the net profit of the Company before declaring dividend to General Reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013. General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit or loss.

	(₹ million)	
	31 March 2024	31 March 2023
Opening balance	651.69	651.69
Add: Transfer on account of employee stock options not exercised	2.02	-
	653.71	651.69

(e) ESOP outstanding

Fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding. The Company has two stock option schemes under which options to subscribe for the Company's shares have been granted to certain employees. The ESOP Outstanding is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

	(₹ million)	
	31 March 2024	31 March 2023
Opening balance	313.17	343.54
Add: ESOP charge during the year	564.24	107.61
Less: Transfer on account of employee stock options not exercised	(2.02)	-
Less: Adjustment for exercise of stock option	(181.13)	(137.98)
	694.26	313.17



Notes to Standalone Financial Statements

for the year ended 31 March 2024

(e) Retained earnings

Retained earnings are the profits that the Company has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings includes re-measurement loss/ (gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the Company.

	(₹ million)	
	31 March 2024	31 March 2023
Opening balance	55,766.36	45,144.57
Add: Profit during the year (including items of OCI for the year, net of tax)	17,628.89	12,716.28
Less: Final equity dividend	(2,997.30)	(2,094.49)
	70,397.95	55,766.36

(f) Share application money pending allotment

Share application money pending allotment, represents amount received from employees who has exercised Employee Stock Option Scheme (ESOS) for which shares are pending allotment as on balance sheet date.

	(₹ million)	
	31 March 2024	31 March 2023
Opening balance	2.78	7.98
Add: Adjustment for exercise of stock option	181.13	137.98
Add: Amount received on exercise of employee stock options	193.95	127.65
Less: Transfer to equity share capital & securities premium for fresh issue	(369.15)	(270.83)
	8.71	2.78

18. Lease liabilities

A Lease liabilities – Non-current

	(₹ million)	
	31 March 2024	31 March 2023
At amortised cost	198.46	221.46
	198.46	221.46

B Lease liabilities – Current

	(₹ million)	
	31 March 2024	31 March 2023
At amortised cost	313.98	136.99
	313.98	136.99

19. Acceptances

Accounting policy

The Company enters into arrangements for purchase under usance letter of credit issued by banks under non-fund based working capital limits of the Company. Considering these arrangements are majorly for raw materials with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as Acceptances and is disclosed on the face of the Balance Sheet. Interest borne by the Company on such arrangements is accounted as finance cost.

	(₹ million)	
	31 March 2024	31 March 2023
Acceptances (Refer note (a) below)	18,619.66	12,257.56
	18,619.66	12,257.56

Notes to Standalone Financial Statements

for the year ended 31 March 2024

Notes:

- (a) Acceptances is availed in foreign currency from offshore branches of Indian banks or foreign banks at an interest rate ranging from 4.98 % to 5.79 % per annum and in rupee from domestic banks at interest rate ranging from 5.93 % to 9.30 % per annum. Acceptances represent amounts payable to banks on due date as per usance period of Letter of Credit (LCs) issued to raw material vendors under non-fund based working capital facility approved by Banks for the Company. The arrangements are interest-bearing. Non-fund limits are secured by first pari-passu charge over the present and future current assets of the Company. The Company from the current year has decided to present liabilities with respect to Acceptances on the face of Balance Sheet, which were previously included in trade payables as Acceptances to enhance understanding of the financial statements. The value of such liabilities as at 01 April 2022 and 01 April 2023 was ₹6,364.55 million and ₹12,257.56 million. This revision in presentation has no material impact on the standalone financial statements.

20. Trade payables

Accounting policy

The amounts are unsecured and are usually paid within 30 to 90 days of recognition other than usance letter of credit.

	(₹ million)	
	31 March 2024	31 March 2023
At amortised cost		
Total outstanding dues of micro and small enterprises	535.04	519.01
	535.04	519.01
Total outstanding dues of creditors other than micro and small enterprises		
Trade payables to related parties (Refer note - 36)	299.46	289.65
Trade payables - Others (Refer note below (a))	8,637.19	6,891.48
	8,936.65	7,181.13

- (a) Others include amount payable to vendors, employees liability and accrual of expenses that are expected to be settled in the Company's normal operating cycle or due to be settled within twelve months from the reporting date.
- (b) For the terms and conditions with related parties, refer note 36.
- (c) For explanations on the Company's liquidity risk management processes refer note 39(C).
- (d) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31 March 2024 and year ended 31 March 2023 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	(₹ million)	
	31 March 2024	31 March 2023
(i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
Principal	535.04	516.59
Interest	-	2.42
(ii) 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.	2.42	1.81
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	2.42
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-



Notes to Standalone Financial Statements

for the year ended 31 March 2024

(e) Trade Payables ageing schedule

As at 31 March 2024

	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	535.04	-	-	-	-	535.04
(ii) Others	2,043.83	1,477.14	312.84	1.30	10.36	3,845.47
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
	2,578.87	1,477.14	312.84	1.30	10.36	4,380.51
(v) Accrued expenses						5,091.18
						9,471.69

As at 31 March 2023

	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	389.21	129.80	-	-	-	519.01
(ii) Others	2,241.53	905.84	6.47	2.81	7.56	3,164.21
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
	2,630.74	1,035.64	6.47	2.81	7.56	3,683.22
(v) Accrued expenses						4,016.92
						7,700.14

21. Other financial liabilities

A. Other financial liabilities – Non-current

	31 March 2024	31 March 2023
At amortised cost		
Financial guarantee liability	147.24	-
	147.24	-

B. Other financial liabilities – Current

	31 March 2024	31 March 2023
At amortised cost		
Security deposit	299.91	44.11
Interest accrued but not due	108.18	88.82
Creditors for capital expenditure	838.37	563.69
Unclaimed dividend (Refer below note (b))	2.04	1.56
Channel financing liability	508.05	821.25
Financial guarantee liability	64.08	-
Others	-	2.78
At FVTPL		
Derivative liability (Refer below note (a))	577.23	129.32
	2,397.86	1,651.53

Notes to Standalone Financial Statements

for the year ended 31 March 2024

Notes:

(a) Derivative Liability

	31 March 2024	31 March 2023
Embedded derivatives	-	26.18
Foreign exchange forward contract	9.04	26.97
Commodity contracts	568.19	76.17
	577.23	129.32

(b) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

(c) Company had provided a guarantee for credit facility availed by Tirupati Reels Private Limited, amounting to ₹899.70 million (31 March 2023: ₹520.00 million) and by Uniglobus Electricals and Electronics Private Limited amounting to ₹400 million (31 March 2023: ₹ Nil).

22. Provisions

Accounting policy:

Provision is recognised for expected warranty claims and after sales services when the product is sold or service provided to the customer, based on past experience of the level of repairs and returns. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually. It is expected that significant portion of these costs will be incurred in the next financial year and the total warranty-related costs will be incurred within warranty period after the reporting date. Assumptions used to calculate the provisions for warranties were based on current sales levels and current information available about returns during the warranty period for all products sold.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

A Provisions - Non-current

	31 March 2024	31 March 2023
Provision for employee benefits (Refer note 30)		
Gratuity	257.56	147.13
Compensated absences	160.29	137.14
Others (Refer note below)	175.22	162.53
	593.07	446.80

Note: Reconciliation of Others

	31 March 2024	31 March 2023
At the beginning of the year	162.53	-
Arising during the year	12.69	162.53
Utilised during the year	-	-
At the end of the year	175.22	162.53

Others includes matters relating to indirect tax matters.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

B Provisions - Current

	(₹ million)	
	31 March 2024	31 March 2023
Provision for employee benefits (Refer note 30)		
Gratuity	159.17	127.47
Compensated absences	37.36	30.27
Provision for warranty (Refer note below)	116.83	109.02
At the end of the year	313.36	266.76

Note: Reconciliation of Warranty provision

	(₹ million)	
	31 March 2024	31 March 2023
At the beginning of the year	109.02	108.64
Arising during the year	121.89	99.20
Utilised during the year	(114.08)	(98.82)
At the end of the year	116.83	109.02

23. Other liabilities

A Other liabilities - Non-current

	(₹ million)	
	31 March 2024	31 March 2023
Deferred government grant (Refer below note (a))	365.08	143.77
Deferred liability	-	25.30
	365.08	169.07

B Other liabilities - Current

	(₹ million)	
	31 March 2024	31 March 2023
Advance from customers	454.55	330.54
Advance from customers - Related Party (Refer note 36)	-	114.86
Contract liability (Refer below note (b))	1,024.22	905.32
Deferred liability	34.15	25.30
Refund liability (Refer below note (c))	678.63	629.37
Other statutory dues		
Employee recoveries and employer contributions	30.13	23.60
Taxes payable (Other than Income tax)	864.39	638.89
	3,086.07	2,667.88

Notes:

(a) Under Ind AS government grants are recorded as deferred liabilities to the extent of unfulfilled export obligations. This amount has been recognised against deferred government grant and accrued to Statement of Profit & Loss subsequently on fulfilment of export obligation. The Company expects to meet its export obligation during the next 3-5 years.

Reconciliation of Deferred government grant:

	(₹ million)	
	31 March 2024	31 March 2023
At the beginning of the year	143.77	160.07
Grants received during the year	408.24	133.07
Grants recognised for the year	(186.93)	(149.37)
At the end of the year	365.08	143.77

Notes to Standalone Financial Statements

for the year ended 31 March 2024

(b) Reconciliation of Contract liabilities:

	(₹ million)	
	31 March 2024	31 March 2023
At the beginning of year	905.32	1,435.57
Contract liability recognised during the year	7,740.04	2,437.34
Revenue recognised from amount included in contract liabilities	(7,621.14)	(2,967.59)
At the end of the year	1,024.22	905.32

(c) Reconciliation of Refund liability:

	(₹ million)	
	31 March 2024	31 March 2023
At the beginning of the year	629.37	629.38
Arising during the year	577.57	719.45
Utilised during the year	(528.31)	(719.46)
At the end of the year	678.63	629.37

24. Revenue from operations

Accounting Policy

(i) Measurement of revenue

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer. Taxes collected from customers on behalf of Government are not treated as Revenue.

(ii) Performance obligations:-

(a) Sale of goods

Revenue from contracts with customers involving sale of these products is recognised at a point in time when control of the product has been transferred at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, and there are no unfulfilled obligation that could affect the customer's acceptance of the products and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. At contract inception, the Company assess the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue from contracts with customers is recognised when control of goods are transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. The point of time of transfer of control to customers depends on the terms of the trade - CIF, CFR or DDP, ex-works, etc.

(b) Revenue from construction contracts

Performance obligation in case of revenue from long-term contracts is satisfied over the period of time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. However, the same may not be possible if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In some circumstances, if the Company is not able to reasonably measure the outcome of a performance obligation, but expects to recover the costs incurred in satisfying the performance obligation, the company shall recognise revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. The timing of the transfer of control varies depending on individual terms of the sales agreements.

The total costs of contracts are estimated based on technical and other estimates. Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Statement of Profit & Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract.

In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities".

(iii) Variable consideration

It includes volume discounts, price concessions, liquidity damages, incentives, etc. The Company estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Company adjusts estimate of revenue at the earlier of when the most likely amount of consideration the Company expect to receive changes or when the consideration becomes fixed.

(iv) Schemes

The Company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, tours, kind etc. Revenue from contract with customer is presented deducting cost of all these schemes.

(v) Significant financing components

In respect of advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle. Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract. Contract assets arising from such customer contracts are subject to impairment assessment.

(vi) Warranty

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty as per note 22. In certain contracts, the Company provides warranty for an extended period of time and includes rectification of defects that existed at the time of sale and are normally bundled together with the main contract. Such bundled contracts include two separate performance obligations, because the promises to transfer the goods and services and the provision of service-type warranty are capable of being distinct. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a contract liability at the time of recognition of revenue. Revenue allocated towards service-type warranty is recognised over a period of time on a basis appropriate to the nature of the contract and services to be rendered.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

(vii) Right to return

When a contract provides a customer with a right to return the goods within a specified period, the Company estimates the expected returns using a probability-weighted average amount approach similar to the expected value method under Ind AS 115.

At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Company has a right to recover the product when customers exercise their right of return. Consequently, the Company recognises a right to returned goods asset and a corresponding adjustment to cost of sales. The Company uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

For goods expected to be returned, the Company presented a refund liability and an asset for the right to recover products from a customer separately in the balance sheet.

(viii) Onerous Contracts

A provision for onerous contract is recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognises any impairment loss on assets associated.

(ix) Export incentives

Export incentives under various schemes notified by the Government have been recognised on the basis of applicable regulations, and when reasonable assurance to receive such revenue is established. Export incentives income is recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

(x) Cost to obtain a contract

Any costs to obtain a contract or incremental costs to fulfil a contract are recognised as an asset if certain criteria are met as per Ind AS 115.

The Company applies the optional practical expedient to immediately expense costs to obtain a contract if the amortisation period of the asset that would have been recognised is one year or less.

(xi) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it's recognition as income in the Statement of Profit & Loss is linked to fulfilment of associated export obligations.

The export incentive and grants received are in the nature of other operating revenue in the Statement of Profit & Loss.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

Revenue from operations

	(₹ million)	
	31 March 2024	31 March 2023
Revenue from contracts with customers		
Revenue on Sale of Products		
Finished goods	163,798.04	126,769.76
Traded goods	6,244.34	7,193.76
Revenue from Construction Contracts	7,810.86	3,636.05
	177,853.24	137,599.57
Other operating revenue		
Job work income	12.76	4.01
Scrap sales	1,791.64	1,196.15
Total revenue from contracts with customers	179,657.64	138,799.73
Export incentives	66.37	21.09
Government grants	784.50	314.36
Total Revenue from operations	180,508.51	139,135.18

Notes:

(a) Disaggregated revenue information

	(₹ million)	
	31 March 2024	31 March 2023
Type of Goods or Services		
Wires & Cables	160,418.58	123,328.21
Fast Moving Electrical Goods (FMEG)	11,428.20	11,835.47
Revenue from construction contracts	7,810.86	3,636.05
Total revenue from contracts with customers	179,657.64	138,799.73
Location of customer		
India	162,172.64	124,842.50
Outside India	17,485.00	13,957.23
Total revenue from contracts with customers	179,657.64	138,799.73
Timing of revenue recognition		
Goods transferred at a point in time	171,817.56	135,143.26
Goods and Services transferred over a period of time	7,840.08	3,656.47
Total revenue from contracts with customers	179,657.64	138,799.73
Revenue from B2B and B2C Vertical		
Business to Consumer	53,039.66	46,334.00
Business to Business	123,372.39	90,241.00
Others ⁽ⁱ⁾	3,245.59	2,224.73
Total revenue from contracts with customers	179,657.64	138,799.73

Note: (i) Others includes discounts, scrap sales, raw material sales, and job work income.

(b) Reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

	(₹ million)	
	31 March 2024	31 March 2023
Total revenue from contracts with customers	179,657.64	138,799.73
Export incentives ⁽ⁱ⁾	66.37	21.09
Government grant ⁽ⁱⁱ⁾	784.50	314.36
Other income excluding finance income	994.96	386.90
Total income as per Segment (Refer note 37)	181,503.47	139,522.08

Notes:

- (i) Export incentive includes Remission of Duties and Taxes on Export Products (RoDTEP) and duty drawback incentives.
(ii) Government grant includes advance licence benefits and deferred income released to the statement of profit and loss on fulfilment of export obligation under the export promotion capital goods (EPCG) scheme.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

(c) Reconciliation between revenue with customers and contracted price as per Ind AS 115:

	(₹ million)	
	31 March 2024	31 March 2023
Revenue as per contracted price	182,200.38	140,717.31
Adjustments:		
Price adjustments such as Discounts, Rebates and Sales Promotion Schemes	(2,630.67)	(2,501.97)
Contract liabilities (excess billing over revenue recognised as per applicable Ind-AS)	(118.90)	530.25
Provisions for expected sales return	(49.26)	-
Other adjustments	16.46	19.86
Contract assets (Unbilled Revenue - EPC)	239.63	34.28
Revenue from contract with customers	179,657.64	138,799.73

(d) Disclosure in terms of Ind AS 115 on the accounting of construction contract is as under:

	(₹ million)	
	31 March 2024	31 March 2023
Contract revenue recognised for the year ended	7,810.86	3,636.05
Contract that are in progress as on reporting date		
(i) Contract costs incurred and recognised profits (less recognised losses)	7,810.86	3,636.05
(ii) Amount of retentions*	1,186.88	523.73
(iii) Contract balances recognised and included in financial statement as:		
Contract asset	365.59	135.54
Contract liabilities	1,024.22	905.32

* Retentions are specific to projects and are generally receivable within 6 months from completion of project.

- (e) Trade receivables are usually non-interest bearing and are generally on credit terms up to 90 days except EPC business. Provision for expected credit losses on trade receivables recognised/ (derecognised) during the year of ₹305.26 million (31 March 2023: ₹ (25.57) million). The Company has channel finance arrangement for providing credit to its dealers. Evaluation is made as per the terms of the contract i.e. if the Company does not retain any risk and rewards or control over the financial assets, then the entity derecognises such assets upon transfer of financial assets under such arrangement with the banks.
- (f) No single customer contributed 10% or more to the Company's revenue for the year ended 31 March 2024 and 31 March 2023.

(g) Set out below is the amount of revenue recognised from:

	(₹ million)	
	31 March 2024	31 March 2023
Amounts included in contract liabilities at the beginning of the year	7,621.14	2,967.59
Performance obligations satisfied in previous years	72.39	106.92

(h) Right of return assets and refund liabilities as at year end:

	(₹ million)	
	31 March 2024	31 March 2023
Right of return assets	306.60	286.19
Refund liabilities	678.63	629.37

(i) Allocation of the transaction price to the remaining performance obligations:

	(₹ million)	
	31 March 2024	31 March 2023
Within one year	14,834.56	7,607.29
More than one year	32,773.17	6,455.57
	47,607.73	14,062.86



Notes to Standalone Financial Statements

for the year ended 31 March 2024

25. Other income

Accounting Policy:

Other income is comprised primarily of interest income, dividend income, gain on investments and exchange gain on forward contracts and on translation of other assets and liabilities.

Interest income on financial asset measured either at amortised cost or FVTPL is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Foreign Currency

The Company's Financial Statements are presented in Indian rupee (₹) which is also the Company's functional currency. Foreign currency transaction are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

Measurement of foreign currency item at the balance sheet date:

- Foreign currency monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the reporting date.
- Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.
- Exchange differences :**

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the Statement of Profit & Loss.

	(₹ million)	
	31 March 2024	31 March 2023
(a) Interest income on financial assets		
Carried at amortised cost		
Bank deposits	225.02	227.77
Others (refer note (i) below)	97.91	56.52
Carried at FVTPL		
Others	3.15	2.64
(b) Income from Investments designated at FVTPL		
Gain on debt mutual funds	815.01	614.32
Fair valuation on gain on debt mutual funds	62.21	36.83
(c) Dividend income	-	27.06
(d) Fair value gain / loss on financial instruments		
Derivatives at FVTPL (refer note (ii) below)	-	29.62
(e) Other non-operating income		
Exchange differences (net)	758.84	184.39
Gain on sale of property, plant and equipment	1.93	97.88
Gain on termination of lease	1.60	3.29
Sundry balances written back	-	1.35
Miscellaneous income	232.59	76.23
	2,198.26	1,357.90

- Includes interest on Income Tax refund of Nil (31 March 2023: ₹1.03 million).
- Gain on fair valuation of financial instruments at fair value through profit or loss relates to foreign exchange fluctuation on forward contracts that are designated as at fair value through profit and loss account and on embedded derivatives, which have been separated. No ineffectiveness has been recognised on foreign exchange and interest rate hedges.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

26. Cost of materials consumed

	(₹ million)	
	31 March 2024	31 March 2023
Inventories at the beginning of the year	12,820.18	5,640.43
Add: Purchases	128,663.14	104,622.98
	141,483.32	110,263.41
Less: Inventories at the end of the year	(14,801.56)	(12,820.18)
Cost of materials consumed	126,681.76	97,443.23

Note:

Details of material consumed

	(₹ million)	
	31 March 2024	31 March 2023
Copper	77,967.29	56,806.32
Aluminium	20,592.71	17,143.53
Steel	4,177.69	3,459.72
PVC Compound/HDPE/LDPE/XLPE/Resin	14,796.57	12,883.64
Packing Materials	3,169.82	2,529.32
Others*	5,977.68	4,620.70
	126,681.76	97,443.23

* Others includes Raw material for consumer products.

27. Purchases of stock-in-trade

	(₹ million)	
	31 March 2024	31 March 2023
Electrical wiring accessories	280.81	243.94
Electrical appliances	3,142.13	4,013.48
Others	78.41	305.73
	3,501.35	4,563.15

28. Changes in inventories of finished goods, stock-in-trade and work-in-progress

	(₹ million)	
	31 March 2024	31 March 2023
Inventory at the beginning of the year		
Finished goods	11,089.02	11,184.01
Stock-in-trade	1,198.92	1,611.51
Scrap materials	429.91	523.10
Work-in-progress	2,174.94	2,168.67
	14,892.79	15,487.29
Inventory at the end of the year		
Finished goods	10,940.66	11,089.02
Stock-in-trade	793.84	1,198.92
Scrap materials	639.11	429.91
Work-in-progress	3,451.89	2,174.94
	15,825.50	14,892.79
Changes in Inventories	(932.71)	594.50



Notes to Standalone Financial Statements

for the year ended 31 March 2024

29. Project bought outs and sub-contracting cost

	(₹ million)	
	31 March 2024	31 March 2023
Project bought outs	4,104.14	1,042.00
Sub-contracting expenses for EPC	639.33	309.53
	4,743.47	1,351.53

30. Employee benefits expense

Accounting policy

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, incentives, special awards, medical benefits etc. are charged to the Statement of Profit & Loss in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Compensated absences

The Company estimates and provides the liability for such short-term and long term benefits based on the terms of the policy. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses on defined benefit plans are immediately taken to the Statement of Profit & Loss and are not deferred.

(iii) Defined contribution plans

Retirement benefit in the form of provident fund and National Pension Scheme are defined contribution schemes. The Company recognises contribution payable to the provident fund and National Pension Scheme as an expenditure, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the funds. The Company's contributions to defined contribution plans are charged to the Statement of Profit & Loss as incurred.

(iv) Defined benefit plan

The Company operates a defined benefit gratuity plan for its employees. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit & Loss in subsequent periods. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

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 immediately in Statement of profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

(v) Share based payment

Equity settled share based payments to employees and other providing similar services are measured at fair value of the equity instruments at grant date.

The fair value determined at the grant date of the equity-settled share based payment is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any is, recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the ESOP outstanding account (Refer note 16(g)).

No expense is recognised for options that do not ultimately vest because non market performance and/or service conditions have not been met.

The dilutive effect, if any of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (Refer note 34).

Employee benefits expense

	(₹ million)	
	31 March 2024	31 March 2023
Salaries, wages and bonus	4,749.46	3,956.78
Employees share based payment expenses	564.24	107.61
Contribution to provident and other funds	320.71	236.35
Staff welfare expense	231.64	139.30
	5,866.05	4,440.04

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Company believes the impact of the change will not be significant.

Gratuity and other post-employment benefit plans

(A) Defined Benefit plan

Gratuity Valuation - As per actuary

In respect of Gratuity, the Company makes annual contribution to the employee group gratuity scheme of the Life Insurance Corporation of India, funded defined benefits plan for qualified employees. The scheme provided for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The Company has provided for gratuity based on the actuarial valuation done as per Project Unit Credit Method.

Defined benefit plans expose the Company to actuarial risks such as:

(i) Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

(ii) Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

(iii) Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

(iv) Asset Liability Matching Risk

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

(v) Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(vi) Concentration Risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow regulatory guidelines which mitigate risk.

(vii) Variability in withdrawal rates

If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(viii) Regulatory Risk

Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). There is a risk of change in the regulations requiring higher gratuity payments.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

The Company operates a defined benefit plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The most recent actuarial valuation of the present value of defined obligation and plan assets were carried out as at 31 March 2024 by an external independent fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for gratuity.

Statement of profit and loss

Net employee benefits expense recognised in profit or loss:

	(₹ million)	
	31 March 2024	31 March 2023
Current service cost	120.48	76.09
Net interest cost	20.20	17.15
Net benefits expense	140.68	93.24

Notes to Standalone Financial Statements

for the year ended 31 March 2024

Net remeasurement (gain)/ loss on defined benefit plans recognised in Other comprehensive income for the year:

	(₹ million)	
	31 March 2024	31 March 2023
Actuarial (gain) /loss on obligations	89.98	(35.70)
Return on plan assets, excluding interest income	0.59	0.73
Net (Income)/Expense for the year recognised in OCI	90.57	(34.97)

Balance sheet

Benefits liability

	(₹ million)	
	31 March 2024	31 March 2023
Present value of defined benefit obligation	(888.28)	(675.68)
Fair value of plan assets	471.55	402.37
Plan liability	(416.73)	(273.31)

Changes in the present value of the defined benefit obligation are as follows:

	(₹ million)	
	31 March 2024	31 March 2023
Opening defined benefit obligation	675.68	630.18
Interest cost	49.82	43.07
Current service cost	120.48	76.11
Liability Transferred In/ Acquisitions	1.16	4.87
Benefits paid (Includes directly paid by the company)	(48.85)	(42.92)
Actuarial (gains)/losses on obligations	-	-
Due to change in demographics assumptions	-	-
Due to change in financial assumptions	13.47	(26.03)
Due to experience	76.52	(9.60)
Closing defined benefit obligation	888.28	675.68

Changes in the fair value of plan assets are as follows:

	(₹ million)	
	31 March 2024	31 March 2023
Opening fair value of plan assets	402.37	379.85
Interest Income	29.62	25.92
Contribution by employer	86.98	40.25
Benefits paid	(46.83)	(42.92)
Actuarial gains	(0.59)	(0.73)
Closing fair value of plan assets	471.55	402.37

The Company expects to contribute ₹159.17 million towards gratuity in the next year (31 March 2023: ₹127.38 million).

Current & non-current bifurcation of provision for gratuity as per actuarial valuation is as follows:

	(₹ million)	
	31 March 2024	31 March 2023
Non-current	257.56	147.13
Current	159.17	127.47

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	(₹ million)	
	31 March 2024	31 March 2023
Investment with insurer	100%	100%



Notes to Standalone Financial Statements

for the year ended 31 March 2024

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

	(₹ million)	
	31 March 2024	31 March 2023
Discount rate	7.19%	7.39%
Expected rate of return on plan assets	7.19%	7.39%
Employee turnover	10.00%	10.00%
Salary escalation	11.00%	11.00%
Weighted average duration	8	8
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

The average expected future service as at 31 March 2024 is 7 years (31 March 2023 - 7 years).

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

A quantitative sensitivity analysis for significant assumption as at 31 March 2024 is as shown below:

Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be co-related. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Sensitivity analysis

	(₹ million)	
	31 March 2024	31 March 2023
Projected benefit obligation on current assumptions	888.27	675.68
Delta effect of +1% change in rate of discounting	(55.15)	(45.29)
Delta effect of -1% change in rate of discounting	62.62	48.13
Delta effect of +1% change in rate of salary increase	59.76	45.95
Delta effect of -1% change in rate of salary increase	(53.83)	(44.32)
Delta effect of +1% change in rate of employee turnover	(14.49)	(12.69)
Delta effect of -1% change in rate of employee turnover	16.09	10.79

Methodology for defined benefit obligation:

The Projected Unit Credit (PUC) actuarial method has been used to assess the plan's liabilities, including those related to death-in-service and incapacity benefits.

Under PUC method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits for active members.

Projected benefits payable in future years from the date of reporting.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

Maturity analysis of projected benefit obligation from the fund:

	(₹ million)	
	31 March 2024	31 March 2023
1 st following year	87.16	63.16
2 nd following year	78.09	58.81
3 rd following year	122.90	63.96
4 th following year	85.50	71.17
5 th following year	87.97	68.02
Sum of years 6 to 10	362.12	304.07
Sum of years 11 years and above	794.22	656.17

(B) Other defined benefit and contribution plans

Provident Fund

The Company contribute towards Provident Fund to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company contributes towards Provident Fund managed by Central Government and has recognised ₹150.27 million (31 March 2023: ₹114.70 million) for provident fund contributions in the Statement of Profit and Loss.

Pension Fund

Contribution to National Pension Scheme, a defined contribution scheme, is made at predetermined rates to the asset management companies under National Pension Scheme and is charged to the statement of profit and loss. The Company contribution has recognised ₹15.92 million (31 March 2023: ₹13.99 million) for contribution to National Pension Scheme in the Statement of Profit and Loss.

Compensated absences (unfunded)

In respect of Compensated absences, accrual is made on the basis of a year-end actuarial valuation as at balance sheet date except for Halol workers. The actuarial valuation done as per Project Unit Credit Method except for Halol workers.

The leave obligation covers the Company's liability for earned leave. The amount of the provision of ₹160.29 million (31 March 2023: ₹137.14 million) is presented as non-current and ₹37.36 million (31 March 2023: ₹30.27 million) is presented as current. The Company has recognised contribution of ₹46.67 million (31 March 2023: ₹37.40 million) for Compensated absences in the Statement of Profit and Loss.

31. Finance cost

Accounting Policy

Borrowing cost includes interest expense on financial liabilities, interest on tax matters, exchange differences arising from the foreign currency borrowings, gain/loss on fair value of forward cover and it's premium and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

	(₹ million)	
	31 March 2024	31 March 2023
Interest expense on financial liabilities at amortised cost ⁽ⁱ⁾	805.16	380.19
Interest expense on financial liabilities at FVTPL	35.07	32.55
Other borrowing costs ⁽ⁱⁱ⁾	164.19	148.06
	1,004.42	560.80

(i) Interest expense includes ₹4.26 million (31 March 2023: ₹12.79 million) paid / payable to Income Tax Department.

(ii) Other borrowing costs would include bank commission charges, bank guarantee charges, letter of credit charges, premium on forward contract, fair value loss/(gain) on forward contracts, other ancillary costs incurred in connection with borrowings.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

32. Depreciation and amortisation expenses

	(₹ million)	
	31 March 2024	31 March 2023
Depreciation of property, plant and equipment (Refer note 3)	2,172.84	1,883.98
Depreciation of right-of-use assets (Refer note 5)	151.47	131.05
Amortisation of other intangible assets (Refer note 6)	47.09	41.54
	2,371.40	2,056.57

33. Other expenses

	(₹ million)	
	31 March 2024	31 March 2023
Consumption of stores and spares	1,116.88	701.96
Sub-contracting expenses	3,411.83	2,327.78
Power and fuel	2,155.29	1,814.92
Rent	43.21	51.95
Rates and taxes	100.50	103.45
Insurance	138.21	95.52
Repairs and maintenance		
Plant and machinery	70.65	36.57
Buildings	66.73	47.16
Others	138.76	103.82
Advertising and sales promotion	1,980.31	1,237.17
Brokerage and commission	467.16	523.75
Travelling and conveyance	548.68	497.01
Communication Cost	48.18	40.78
Legal and professional fees	981.40	877.70
Director Sitting Fees	6.86	4.42
Freight & forwarding expenses	3,348.54	3,065.55
Payments to auditor (Refer note (a) below)	13.14	12.15
Sundry advances written off	0.43	2.85
Fair valuation loss on derivatives (Refer note (b) below)	145.15	-
Impairment allowance for trade receivable considered doubtful and contract assets (Refer note 8 & 14)	314.84	(31.74)
Impairment allowance for Joint Venture	105.20	-
CSR expenditure (Refer note (c) below)	259.01	224.79
Miscellaneous expenses	822.96	895.35
	16,283.92	12,632.91

Notes:

(a) Payments to auditor:

	(₹ million)	
	31 March 2024	31 March 2023
As auditor		
(i) Audit fee	12.44	11.12
(ii) Certification fees	0.26	0.25
(iii) Out of pocket expenses	0.44	0.78
	13.14	12.15

- (b) Loss on fair valuation of financial instruments at fair value through profit or loss relates to foreign exchange fluctuation on forward contracts that are designated as at fair value through profit and loss account and on embedded derivatives, which have been separated. No ineffectiveness has been recognised on foreign exchange.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

(c) Details of Corporate Social Responsibility Expenses:

	(₹ million)	
	31 March 2024	31 March 2023
Gross amount required to be spent by the Company during the year as per provisions of section 135 of the Companies Act, 2013 i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.	(A) 257.44	213.33
Gross amount spent by the Company during the year		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above:		
Rural Development	3.13	10.12
Education	37.25	28.06
Health Care	156.62	99.55
Environment	8.57	57.76
Social Empowerment	-	17.23
National Heritage Art & Culture	42.00	7.27
Administration cost	11.44	4.80
Total CSR spent in actual	(B) 259.01	224.79
Shortfall/(Excess)	(A-B) (1.57)	(11.46)
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures (contributed to Polycab Social Welfare Foundation ("PSWF") where KMP's are interested)	259.01	224.79
Where a provision is made in accordance with paragraph above the same should be presented as per the requirements of Schedule III to the Act. Further, movements in the provision during the year should be shown separately	-	-
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-
The total of previous years' shortfall amounts	-	-
The reason for above shortfalls by way of a note	NA	NA

- (d) There is no unspent amount on ongoing projects as at 31 March 2024 (31 March 2023: Nil). The unspent amount on ongoing projects as at 31 March 2022 aggregating to ₹36.20 million was utilised during the financial year ended 31 March 2023.

34. Earnings Per Share

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

Employee Stock Option Plan 2018

Pursuant to the resolutions passed by the Company's Board on 30 August 2018 and our Shareholders on 30 August 2018, the Company approved the Employee Stock Option Plan 2018 for issue of options to eligible employees which may result in issue of Equity Shares of not more than 35,30,000 Equity Shares. The company reserves the right to increase, subject to the approval of the shareholders, or reduce such numbers of shares as it deems fit.

The exercise of the vested option shall be determined in accordance with the notified scheme under the plan.

Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018

The Company also approved Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018 under which the maximum number of options granted to any grantee under "Performance Scheme" together with options granted in any other scheme shall not exceed 1 percent of the total share capital at the time of grant.

(a) Basic Earnings Per Share

			31 March 2024	31 March 2023
Profit for the year	₹ in million	A	17,696.67	12,690.09
Weighted average number of equity shares for basic earning per share *	Number	B	150,014,272	149,631,506
Earnings per shares - Basic (one equity share of ₹ 10 each)	₹ per share (A/B)		117.97	84.81

(b) Diluted Earnings Per Share

			31 March 2024	31 March 2023
Profit for the year	₹ in million	A	17,696.67	12,690.09
Weighted average number of equity shares for basic earning per share *	Number	B	150,014,272	149,631,506
Effect of dilution				
Share options	Number	C	552,203	468,199
Weighted average number of equity shares adjusted for effect of dilution	Number	D=(B+C)	150,566,475	150,099,705
Earnings per shares - Diluted (one equity share of ₹ 10 each)	₹ per share (A/D)		117.53	84.54

* Refer note 16(a) for movement of shares.

Note: There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

35. Contingent liabilities and commitments

Accounting Policy

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses the existence in the Financial Statements.

Capital Commitments includes the amount of purchase orders (net of advances) issued to parties for completion of assets.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

(A) Contingent liabilities (to the extent not provided for)

	₹ million	
	31 March 2024	31 March 2023
(i) Outstanding corporate guarantees given on behalf of subsidiaries and Joint venture's (Refer note 36 (F))	1,299.70	520.00
(ii) Taxation matters		
Disputed liability in respect of sales tax /VAT demand & pending sales tax/ VAT forms	0.66	0.64
Disputed liability in respect of Service tax duty demand	18.17	18.17
Disputed liability in respect of excise duty demand	8.60	8.60
Disputed liability in respect of custom duty demand	17.08	17.08
Disputed liability in respect of income tax demand	3.71	-
(iii) Customs Duty on Capital goods imported under Export Promotion Capital Goods Scheme, against which export obligation is to be fulfilled	107.81	42.77
(iv) Customs Duty on Raw Materials imported under Advance License, against which export obligation is to be fulfilled	372.65	183.10

Notes:

- (a) In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The Company doesn't expect the outcome of matters stated above to have a material adverse effect on the Company's financial conditions, result of operations or cash flows.
- (b) There is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Honourable Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.

(B) Commitments

	₹ million	
	31 March 2024	31 March 2023
Capital commitments		
(Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances))		
Towards property, plant and equipment	10,319.79	4,177.52

Note:

For lease commitments, refer note 5.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

36. Related party disclosure

(A) Enterprises where control exists

	Principal activities	Country of incorporation	Ownership interest (%)	
			31 March 2024	31 March 2023
(i) Subsidiaries				
Tirupati Reels Private Limited (TRPL)	Manufacturers of Wooden Pallets, Outer Laggings and Cable Drums	India	55%	55%
Dowells Cable Accessories Private Limited (DCAPL)	Manufacture of electrical goods & cable accessories & equipment's	India	60%	60%
Polycab Electricals & Electronics Private Limited (PEEPL)	Engaged in the business of electrical goods, instruments, appliances and apparatus	India	100%	100%
Polycab USA LLC (PUL)	Trading business of electrical cables and wires, optical fibre cables and consumer electrical goods	USA	100%	100%
Polycab Australia Pty Ltd	Trading business of electrical cables and wires, optical fibre cables and consumer electrical goods	Australia	100%	100%
Polycab Support Force Private Limited (PSFPL)	Manpower services	India	100%	100%
Uniglobus Electricals and Electronics Private Limited (UEEPL)	Trading and manufacturing of, among others, cables, wires, fast moving electricals and electronics goods	India	100%	100%
Steel Matrix Private Limited (*)	Manufacturing of steel drums and bobbins for cables and wires	India	100%	75%
(ii) Joint Ventures				
Techno Electromech Private Limited (TEPL)	Manufacturing of light emitting diodes, lighting and luminaires, and LED drivers	India	50%	50%

* Additional 25% acquired on 29 June 2023.

(B) Enterprises owned or significantly influenced by Key Management Personnel

AK Enterprises (A K)
 Polycab Social Welfare Foundation (PSWF)
 Transigo Fleet LLP
 Bootbhavani Fabricators (upto 29 June 23)
 S.B. Enterprise (upto 29 June 23)
 Shreeji Traders
 T. P. Ostwal & Associates LLP

(C) Key Management Personnel

(i) Executive Directors

Mr. Inder T. Jaisinghani	Chairman and Managing Director
Mr. Rakesh Talati	Whole-time Director
Mr. Bharat A. Jaisinghani	Whole-time Director
Mr. Nikhil R. Jaisinghani	Whole-time Director
Mr. Gandharv Tongia ^(a)	Executive Director and Chief Financial Officer

^(a) Appointed as Executive director w.e.f. 19 January 2023.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

(ii) Non-Executive Directors

Mr. R.S. Sharma	Independent Director
Mr. T.P. Ostwal	Independent Director
Mr. Pradeep Poddar	Independent Director (upto 19 September 2023)
Ms. Sutapa Banerjee	Independent Director
Ms. Manju Agarwal	Independent Director (w.e.f. 19 January 2023)
Mr. Bhaskar Sharma	Independent Director (w.e.f. 12 May 2023)

(iii) Key Management Personnel

Ms. Manita Gonsalves	Company Secretary and Compliance Officer
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(D) Relatives of Key Management Personnel

Mr. Kunal I. Jaisinghani	Son of Mr. Inder T. Jaisinghani
Ms. Kiara Duhlani	Sister of Mr. Bharat A. Jaisinghani
Ms. Deepika Sehgal	Sister of Mr. Nikhil R. Jaisinghani
Ms. Jayshriben Talati	Wife of Mr. Rakesh Talati

(E) Transactions with group companies :

		(₹ million)	
		Year ended 31 March 2024	Year ended 31 March 2023
(i) Sale of goods (including GST)			
Dowells Cable Accessories Private Limited	Subsidiary	6.63	5.05
Polycab USA LLC	Subsidiary	3,928.46	-
Techno Electromech Private Limited	Joint Venture	32.47	0.02
Uniglobus Electricals and Electronics Private Limited	Subsidiary	83.71	37.66
Tirupati Reels Private Limited	Subsidiary	3.86	-
Polycab Australia PTY Ltd	Subsidiary	1,834.97	744.08
(ii) Purchase of goods (including GST)			
Tirupati Reels Private Limited	Subsidiary	1,526.14	1,183.99
Dowells Cable Accessories Private Limited	Subsidiary	17.32	1.35
Uniglobus Electricals and Electronics Private Limited	Subsidiary	183.83	104.45
Techno Electromech Private Limited	Joint Venture	1,394.68	700.78
(iii) Sub-contracting expense (including GST)			
Techno Electromech Private Limited	Joint Venture	4.85	4.49
Polycab Support Force Private Limited	Subsidiary	92.09	28.67
Uniglobus Electricals and Electronics Private Limited	Subsidiary	5.44	0.77
(iv) Job work Income (including GST)			
Dowells Cable Accessories Private Limited	Subsidiary	0.99	0.72
Techno Electromech Private Limited	Joint Venture	12.12	-
(v) Reimbursement of expenses (including GST)			
Uniglobus Electricals and Electronics Private Limited	Subsidiary	5.90	1.39
(vi) Other charges recovered (including GST)			
Uniglobus Electricals and Electronics Private Limited	Subsidiary	3.27	3.50
Polycab Support Force Private Limited	Subsidiary	4.47	0.40
Dowells Cable Accessories Private Limited	Subsidiary	9.56	7.33
(vii) Commission received (including GST)			
Tirupati Reels Private Limited	Subsidiary	7.10	3.07
Uniglobus Electricals and Electronics Private Limited	Subsidiary	3.54	-
(viii) Rent received (including GST)			
Dowells Cable Accessories Private Limited	Subsidiary	6.53	8.26
Polycab Support Force Private Limited	Subsidiary	0.04	0.02
Uniglobus Electricals and Electronics Private Limited	Subsidiary	2.53	2.79



Notes to Standalone Financial Statements

for the year ended 31 March 2024

			(₹ million)	
			Year ended 31 March 2024	Year ended 31 March 2023
(ix) Interest received				
Uniglobus Electricals and Electronics Private Limited	Subsidiary		49.35	1.59
Techno Electromech Private Limited	Joint Venture		10.53	9.00
Polycab Support Force Private Limited	Subsidiary		0.51	0.51
(x) Testing charges paid (including GST)				
Techno Electromech Private Limited	Joint Venture		0.17	0.15
(xi) Recovery of manpower charges (including GST)				
Dowells Cable Accessories Private Limited	Subsidiary		15.99	15.02
Tirupati Reels Private Limited	Subsidiary		4.15	4.83
Uniglobus Electricals and Electronics Private Limited	Subsidiary		5.07	3.87
Polycab Support Force Private Limited	Subsidiary		3.15	-
Techno Electromech Private Limited	Joint Venture		2.60	-
(xii) Loans given				
Uniglobus Electricals and Electronics Private Limited	Subsidiary		950.00	54.65
Polycab Support Force Private Limited	Subsidiary		-	12.50
(xiii) Loan given repaid				
Uniglobus Electricals and Electronics Private Limited	Subsidiary		-	56.61
Polycab Support Force Private Limited	Subsidiary		-	7.50

(F) Outstanding as at the year end:

			(₹ million)	
			Year ended 31 March 2024	Year ended 31 March 2023
(i) Loans given				
Uniglobus Electricals and Electronics Private Limited	Subsidiary		950.00	-
Techno Electromech Private Limited	Joint Venture		100.00	100.00
Polycab Support Force Private Limited	Subsidiary		5.00	5.00
(ii) Trade Receivables				
Tirupati Reels Private Limited	Subsidiary		-	-
Techno Electromech Private Limited	Joint Venture		71.01	33.48
Polycab Australia PTY Ltd	Subsidiary		199.58	482.09
Uniglobus Electricals and Electronics Private Limited	Subsidiary		-	37.19
Polycab USA LLC	Subsidiary		3,805.20	-
(iii) Others Receivables				
Tirupati Reels Private Limited	Subsidiary		-	1.20
Techno Electromech Private Limited	Joint Venture		-	85.19
Dowells Cable Accessories Private Limited	Subsidiary		0.95	3.74
Polycab Support Force Private Limited	Subsidiary		-	0.02
(iv) Advance given for material and services				
Tirupati Reels Private Limited	Subsidiary		34.52	-
Techno Electromech Private Limited	Joint Venture		-	169.10
(v) Advance received for material and services				
Polycab Australia PTY Ltd	Subsidiary		-	114.86
(vi) Interest accrued on loan given				
Techno Electromech Private Limited	Joint Venture		2.62	2.00
Uniglobus Electricals and Electronics Private Limited	Subsidiary		0.08	-
Polycab Support Force Private Limited	Subsidiary		0.11	0.46
(vii) Trade Payables				
Tirupati Reels Private Limited	Subsidiary		-	28.95
Polycab Support Force Private Limited	Subsidiary		9.74	5.26
Uniglobus Electricals and Electronics Private Limited	Subsidiary		8.51	16.91
Techno Electromech Private Limited	Joint Venture		-	34.92

Note:

Company had provided a guarantee for credit facility availed by Tirupati Reels Private Limited, amounting to ₹899.70 million (31 March 2023: ₹520.00 million) and by Uniglobus Electricals and Electronics Private Limited amounting to ₹400 million (31 March 2023: ₹ Nil).

Notes to Standalone Financial Statements

for the year ended 31 March 2024

(G) Transactions with KMP:

(i) Remuneration paid for the year ended and outstanding as on:^(a)

	31 March 2024		31 March 2023	
	For the year ended	Outstanding for the year end	For the year ended	Outstanding for the year end
(₹ million)				
CMD and Executive directors				
Salaries, wages, bonus, commission and other benefits	416.50	260.29	292.13	182.55
Contribution to PF, Family Pension and ESI	1.04	-	1.06	-
ESOP Expenses	58.99	-	1.84	-
Non-Executive directors				
Director sitting fees	6.78	-	4.42	-
Commission	15.29	15.29	10.63	10.63
Key management personnel (excluding CMD and WTD)				
Salaries, wages, bonus, commission and other benefits	5.17	0.38	30.54	6.05
Contribution to PF, Family Pension and ESI	0.02	-	0.04	-
ESOP Expenses	-	-	1.23	-

^a As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the directors and KMP are not included above.

(ii) Transactions with enterprises owned or significantly influenced by key managerial personnel

		31 March 2024		31 March 2023	
		For the year ended	Outstanding for the year end	For the year ended	Outstanding for the year end
(₹ million)					
	Nature of transaction				
Polycab Social Welfare Foundation	Donation	258.56	-	224.79	-
Transigo Fleet LLP	Professional fees	19.12	2.92	19.12	4.37
AK Enterprises	Reimbursement of Electricity Expense	-	-	1.42	-
AK Enterprises*	Rent paid (including GST)	29.17	2.23	29.17	-
Boothbhavani Fabricators	Purchase of goods (including GST)	-	-	0.14	-
Boothbhavani Fabricators	Purchase of Plant and equipments	-	-	89.39	-
S.B. Enterprise	Purchase of goods (including GST)	-	-	5.26	-
S.B. Enterprise	Purchase of Plant and equipments	-	-	22.50	-
Shreeji Traders	Purchase of goods (including GST)	-	-	-	-
T.P. Ostwal & Associates LLP	Professional fees (excluding GST)	0.73	0.11	-	-

* Security deposit given to AK Enterprises amounting to ₹6.17 million (31 March 2023: ₹6.17 million).



Notes to Standalone Financial Statements

for the year ended 31 March 2024

(H) Transactions with relatives of KMP:

	31 March 2024		31 March 2023	
	For the year ended	Outstanding for the year end	For the year ended	Outstanding for the year end
Remuneration to other related parties				
Salaries, wages, bonus, commission and other benefits	4.40	-	2.04	0.01
Contribution to PF, Family Pension and ESI	0.29	-	0.07	-
Rent paid				
Mrs. Jayshriben Talati	0.59	-	0.59	-

(I) Terms and conditions of transactions with related parties:

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement.
- Guarantees are issued by the Company in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder.
- For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party.

37. Segment reporting

Accounting Policy

Identification of segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. The Company's chief operating decision maker is the Chairman & Managing Director.

The Board of Directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment based on an analysis of various performance indicators by business segments and geographic segments.

Segment revenue and expenses:

- It has been identified to a segment on the basis of relationship to operating activities of the segment.
- The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.
- Intersegment revenue and profit is eliminated at group level consolidation.
- Finance income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting as the underlying instruments are managed at Company level.

Segment assets and liabilities:

Segment assets and segment liabilities represent assets and liabilities of respective segments, however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable.

The accounting policies of the reportable segments are same as that of Company's accounting policies described.

No operating segments have been aggregated to form the above reportable operating segments. Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

The Company is organised into business units based on its products and services and has three reportable segments as follows:

Wires and Cables: Manufacture and sale of wires and cables.

Fast moving electrical goods (FMEG): Fans, LED lighting and luminaires, switches, switchgears, solar products, water heaters, conduits, pumps and domestic appliances.

Others: It comprise of EPC business which includes design, engineering, supply of materials, survey, execution and commissioning of power distribution, rural electrification projects on a turnkey basis.

(A) The following summary describes the operations in each of the Company's reportable segments:

	31 March 2024					31 March 2023				
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total
External sales	162,182.97	11,432.80	7,887.70	-	181,503.47	123,987.45	11,896.30	3,638.33	-	139,522.08
Inter segment revenue	2,053.00	-	-	(2,053.00)	-	1,559.04	-	-	(1,559.04)	-
Total Income	164,235.97	11,432.80	7,887.70	(2,053.00)	181,503.47	125,546.49	11,896.30	3,638.33	(1,559.04)	139,522.08
Segment Results										
External	23,267.09	(911.10)	632.24	-	22,988.23	16,052.88	(33.74)	421.01	-	16,440.15
Inter segment results	296.20	-	-	(296.20)	-	202.72	-	-	(202.72)	-
Segment/Operating results	23,563.29	(911.10)	632.24	(296.20)	22,988.23	16,255.60	(33.74)	421.01	(202.72)	16,440.15
Un-allocated items:										
Finance income					1,203.30					971.00
Finance costs					1,004.42					560.80
Profit before tax					23,187.11					16,850.35
Tax expenses										
Current tax					5,358.74					3,958.57
Deferred tax charge/(credit)					131.70					201.69
Profit for the year					17,696.67					12,690.09
Depreciation & amortisation expenses	2,047.81	314.67	8.92	-	2,371.40	1,834.54	217.71	4.32	-	2,056.57
Non-cash expenses/(Income) other than depreciation	804.58	187.24	(35.03)	-	956.79	20.87	391.6	(8.34)	-	51.69
Total cost incurred during the year to acquire segment assets (net of disposal)	7,561.68	621.68	-	-	8,183.36	3,157.11	1,312.74	0.58	-	4,470.43

(B) Revenue by Geography

The amount of its revenue from external customers analysed by the country, in which customers are located, are given below:

	₹ million	
	Year ended 31 March 2024	Year ended 31 March 2023
Within India	164,018.47	125,564.85
Outside India	17,485.00	13,957.23
	181,503.47	139,522.08



Notes to Standalone Financial Statements

for the year ended 31 March 2024

(C) Segment assets

	31 March 2024					31 March 2023				
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total
Segment assets	74,664.35	6,464.61	8,386.31	-	89,515.27	57,414.91	7,036.61	3,582.57	-	68,034.09
Unallocated assets:										
Investments (Non-current and Current)					18,243.38					13,816.83
Income Tax assets (net)					170.77					147.33
Cash and cash equivalents and bank balance other than cash and cash equivalents					3,082.21					6,458.98
Loans					1,061.26					108.47
Other unallocable assets					5,506.96					3,699.83
Total assets					117,579.85					92,265.53

(D) Segment liabilities

	31 March 2024					31 March 2023				
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total
Segment liabilities	24,879.61	2,366.99	4,378.03	-	31,624.63	18,528.78	2,122.86	2,237.19	-	22,888.83
Unallocated liabilities:										
Current tax liabilities (net)					111.29					223.24
Deferred tax liabilities (net)					517.97					409.06
Other unallocable liabilities					3,881.84					2,690.06
Total liabilities					36,135.73					26,211.19

(E) Non-current assets by Geography

The total of non-current assets excluding financial assets and deferred tax assets analysed by the country in which assets are located are given below:

	₹ million	
	31 March 2024	31 March 2023
Within India	30,829.89	23,981.11
Outside India	-	-
	30,829.89	23,981.11

38. Financial Instruments and Fair Value Measurement

A) Financial Instruments

Accounting policy

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

Financial assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit & Loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Financial assets are classified at the initial recognition as financial assets measured at fair value or as financial assets measured at amortised cost.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at amortised cost
- Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognised entirely in the Statement of Profit & Loss (i.e. fair value through Statement of Profit & Loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

(a) Financial assets carried at amortised cost

A financial assets that meets the following two conditions is measured at amortised cost (net of Impairment) unless the asset is designated at fair value through Statement of Profit & Loss under the fair value option.

- Business Model test:** The objective of the Company's business model is to hold the financial assets to collect the contractual cash flow (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test:** The contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value

(i) Financial assets at fair value through other comprehensive income

Financial assets is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collections contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit & Loss.

(ii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through Statement of Profit & Loss.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

The Company discloses analysis of the gain or loss recognised in the statement of profit and loss arising from the derecognition of financial assets measured at amortised cost, showing separately gains and losses arising from derecognition of those financial assets.

(iv) Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for the following:

- (a) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
- (b) The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company recognises an allowance for ECL for all debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Company uses the provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and its adjusted forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) during the period is recognised as other expense in the Statement of Profit & Loss.

Financial liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, lease liabilities and derivative financial instruments.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(b) Gains or losses on liabilities held for trading are recognised in the profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

(c) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method.

(iii) Embedded Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

(iv) Derecognition

- (a) A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.
- (b) Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

B) Fair value measurements

Accounting policy

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, to provide an indication about the reliability of inputs used in determining fair value, the Company has classified its financial statements into three levels prescribed under the Ind AS as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- 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 risk of the assets or liability and the level of fair value hierarchy as explained above.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	Carrying value		Fair value	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
(₹ million)				
Financial assets				
Measured at amortised cost				
Trade receivables	24,184.44	12,735.57	24,184.44	12,735.57
Cash and cash equivalents	2,551.44	1,219.98	2,551.44	1,219.98
Bank balance other than cash and cash equivalents	528.07	5,239.00	528.07	5,239.00
Loans	1,061.26	108.47	1,061.26	108.47
Other financial assets	521.26	336.34	521.26	336.34
Measured at fair value through profit or loss account (FVTPL)				
Investment in mutual funds	18,036.45	13,504.95	18,036.45	13,504.95
Derivative assets	23.62	7.86	23.62	7.86
	46,906.54	33,152.17	46,906.54	33,152.17
Financial liabilities				
Measured at amortised cost				
Acceptances	18,619.66	12,257.56	18,619.66	12,257.56
Trade payables	9,471.69	7,700.14	9,471.69	19,957.71
Creditors for capital expenditure	838.37	563.69	838.37	563.69
Lease liabilities	512.44	358.45	563.50	361.77
Other financial liabilities	1,129.51	958.52	1,129.51	958.52
Measured at fair value through profit or loss account (FVTPL)				
Derivative liabilities	577.23	129.32	577.23	129.32
	31,148.90	21,967.68	31,199.96	34,228.57

- (a) The management assessed that cash and cash equivalents, other bank balance, trade receivables, acceptances, trade payables, loans to related party, loans to employees, short term security deposit and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (b) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- (c) Fixed deposit of ₹7.80 million (31 Mar 2023: ₹12.69 million) is restricted for withdrawal, considering it is lien against commercial arrangements.
- (d) There are no borrowings as at 31 March 2024 (31 March 2023: Nil)

For secured loans, charge created by way of:

- (i) First ranking pari passu charge by way of hypothecation over the entire current assets including but not limited to Stocks and Receivables.
- (ii) Pari passu first charge by way of hypothecation on the entire movable fixed assets.
- (iii) Charges with respect to above borrowing has been created in favour of security trustee. No separate charge has been created for each of the borrowing.
- (iv) All charges are registered with ROC within statutory period by the Company.
- (v) Funds raised on short term basis have not been utilised for long term purposes and spent for the purpose it were obtained.
- (vi) Bank returns / stock statements filed by the Company with its bankers are in agreement with books of account.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

(e) Credit facilities

The Company has fund based and non-fund based revolving credit facilities amounting to ₹56,650.00 million (31 March 2023: ₹40,250.40 million), towards operational requirements that can be used for the short term loan, issuance of letters of credit and bank guarantees. The unutilised credit line out of these working capital facilities at the year end is ₹22,677.10 million (31 March 2023: ₹8,636.87 million).

In addition to above, ₹37,210.00 million project specific working capital limit has been sanctioned by SBI which is to be released on need basis.

(f) Measurement of fair values

The following table shows the valuation techniques used in measuring fair values, as well as the significant observable inputs used (if any)

Financial instruments measured at fair value:

Type	Valuation technique
Mutual Fund Investments	Net asset value quoted by mutual funds
Commodity Futures	Basis the quotes given by the LME broker/ dealer
Embedded Derivatives	Basis the quotes given by the LME broker/ dealer
Foreign exchange forward contracts	MTM value as per RBI reference rate

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, to provide an indication about the reliability of inputs used in determining fair value, the Company has classified its financial statements into three levels prescribed under the Ind AS as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2024:

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
Units of mutual funds	31 March 2024	18,036.45	18,036.45	-	-
Derivative assets					
Embedded derivatives	31 March 2024	1.99	-	1.99	-
Foreign exchange forward contract	31 March 2024	21.63	-	21.63	-
Liabilities measured at fair value:					
Derivative liabilities					
Commodity contracts	31 March 2024	568.19	-	568.19	-
Foreign exchange forward contract	31 March 2024	9.04	-	9.04	-

Notes to Standalone Financial Statements

for the year ended 31 March 2024

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2023:

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
Units of mutual funds	31 March 2023	13,504.95	13,504.95	-	-
Derivative assets					
Foreign exchange forward contract	31 March 2023	7.86	-	7.86	-
Liabilities measured at fair value:					
Derivative liabilities					
Embedded derivatives	31 March 2023	26.18	-	26.18	-
Commodity contracts	31 March 2023	76.17	-	76.17	-
Foreign exchange forward contract	31 March 2023	26.97	-	26.97	-

Notes:

- (a) Investment Property Under Construction is measured at cost as at 31 March 2024 of ₹762.98 million (31 March 2023: Nil). The fair value measurement is required for disclosure purpose in the financial statements as per Ind AS 40 (Refer note 4).

In accordance with Ind AS 113, the fair value of investment property is determined by the Company at ₹847.00 million following the risk-adjusted discounted cash flow method and based on Level 3 inputs from an independent accredited valuation expert, as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, with relevant valuation experience for similar properties. The fair valuation is mainly based on location and locality, current real estate prices in the active market for similar properties. The main inputs used are area, location, construction cost, demand, weighted-average cost of capital and trend of real estate market at the location. As at 31 March 2024, the fair value of the properties are based on valuations performed by Bharat Shah & Associates, an accredited independent registered valuer.

- (b) There is no transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. Timing of transfer between the levels determined based on the following:

- the date of the event or change in circumstances that caused the transfer
- the beginning of the reporting period
- the end of the reporting period

39. Financial Risk Management Objectives And Policies

The Company's principal financial liabilities, other than derivatives, comprise acceptances, trade payables, lease liabilities and other liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors of the Company has formed a Risk Management Committee to periodically review the risk management policy of the Company so that the management manages the risk through properly defined mechanism. The Risk Management Committee's focus is to foresee the unpredictability and minimise potential adverse effects on the Company's financial performance.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

The Company's overall risk management procedures to minimise the potential adverse effects of financial market on the Company's performance are as follows:

(A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations (including acceptances) with floating interest rates. The Company is also exposed to the risk of changes in market interest rates due to its investments in mutual fund units in debt funds. Acceptances as at 31 March 2024 of ₹18,619.66 million (31 March 2023: ₹12,257.56 million) are at a fixed rate of interest.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Derivative financial instruments

The Company enters into derivative contracts with an intention to hedge its foreign exchange price risk and interest risk. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit & Loss. To some extent the Company manages its foreign currency risk by hedging transactions.

Particulars of unhedged foreign currency exposures as at the reporting date:

Currency	Currency Symbol	31 March 2024		31 March 2023	
		Foreign currency	Indian Rupees	Foreign currency	Indian Rupees
United States Dollar	USD	(94.58)	(7,885.57)	(74.60)	(6,133.18)
Euro	Euro	16.73	1,509.70	15.19	1,361.18
Pound	GBP	0.52	54.73	2.85	290.24
Swiss Franc	CHF	0.38	34.69	0.03	2.40
Ruble	RUB	-	-	(7.38)	(7.83)
Chinese Yuan	CNY	(0.79)	(9.12)	0.09	1.10
Australian Dollar	AUD	3.99	216.51	7.16	394.06

Figures shown in brackets represent payables.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, Euro, GBP, CHF, RUB, CNY and AUD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. Sensitivity due to unhedged Foreign Exchange Exposures is as follows:

Impact on profit before tax and equity

Currency	Currency Symbol	31 March 2024		31 March 2023	
		+2%	-2%	+2%	-2%
United States Dollar	USD	(157.71)	157.71	(122.66)	122.66
Euro	Euro	30.19	(30.19)	27.22	(27.22)
Pound	GBP	1.09	(1.09)	5.80	(5.80)
Swiss Franc	CHF	0.69	(0.69)	0.05	(0.05)
Ruble	RUB	-	-	(0.16)	0.16
Chinese Yuan	CNY	(0.18)	0.18	0.02	(0.02)
Australian Dollar	AUD	4.33	(4.33)	7.88	(7.88)

Figures shown in brackets represent payables.

(iii) Commodity price risk

The Company's exposure to price risk of copper and aluminium arises from :

- Trade payables of the Company where the prices are linked to LME prices. Payment is therefore sensitive to changes in copper and aluminium prices quoted on LME. The provisional pricing feature (Embedded Derivatives) is classified in the balance sheet as fair value through profit or loss. The option to fix prices at future LME prices works as a natural hedge against the movement in value of inventory of copper and aluminium held by the Company. The Company also takes Sell LME positions to hedge the price risk on Inventory due to ongoing movement in rates quoted on LME. The Company applies fair value hedge to protect its copper and aluminium Inventory from the ongoing movement in rates.
- Purchases of copper and aluminium results in exposure to price risk due to ongoing movement in rates quoted on LME affecting the profitability and financial position of the Company. The risk management strategy is to use the Buy future contracts linked to LME to hedge the variation in cash flows of highly probable future purchases. There are no outstanding buy future contracts link to LME as of 31 March 2024 and 31 March 2023.

Sensitivity analysis for unhedged exposure for the year ended 31 March are as follows:

Exposure of Company in Inventory

Metal	Hedge instruments	31 March 2024				31 March 2023			
		Exposure in Metric Tonne	Exposure in ₹ million	Impact in Profit before tax		Exposure in Metric Tonne	Exposure in ₹ million	Impact in Profit before tax	
				+2%	-2%			+2%	-2%
Aluminium	Embedded derivative	2,750	540.91	(10.82)	10.82	-	-	-	-
Copper	Embedded derivative	10,300	7,598.21	(151.96)	151.96	5,400	3,992.49	(79.85)	79.85



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for the year ended 31 March 2024

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets

The Company has adopted a policy of only dealing with counterparties that have sufficient credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. Credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company has applied Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on trade receivables. ECL has been computed as a percentage of revenue on the basis of Company's historical data of delay in collection of amounts due from customers and default by the customers along with management's estimates.

The Company has sold without recourse trade receivables under channel finance arrangement for providing credit to its dealers. Evaluation is made as per the terms of the contract i.e. if the Company does not retain any risk and rewards or control over the financial assets, then the entity derecognises such assets upon transfer of financial assets under such arrangement with the banks. Derecognition does not result in significant gain / loss to the Company in the Statement of profit and loss.

In certain cases, the Company has sold with recourse trade receivables to banks for cash proceeds. These trade receivables have not been derecognised from the statement of financial position, because the Company retains substantially all of the risks and rewards – primarily credit risk. The amount received on transfer has been recognised as a financial liability. The arrangement with the bank is such that the customers remit cash directly to the bank and the bank releases the limit of facility used by the Company. The receivables are considered to be held within a held-to-collect business model consistent with the Company's continuing recognition of the receivables.

The carrying amount of trade receivables at the reporting date that have been transferred but have not been derecognised and the associated liabilities is ₹508.05 million (31 March 2023: ₹821.25 million).

Trade receivables (net of expected credit loss allowance) of ₹24,184.44 million as at 31 March 2024 (31 March 2023: ₹12,735.57 million) forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of delayed payments, increased credit risk and consequential default considering emerging situations while arriving at the carrying value of these assets. This assessment is not based on any mathematical model but an assessment considering the nature of verticals, impact immediately seen in the demand outlook of these verticals and the financial strength of the customers. The Company has specifically evaluated the potential impact with respect to customers for all of its segments.

The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, discounting of receivables with institutions on no-recourse basis, recognition of revenue on collection basis etc., depending on severity of each case. The collections pattern from the customers in the current period does not indicate stress beyond what has been factored while computing the allowance for expected credit losses.

The expected credit loss allowance for trade receivables of ₹1,350.27 million as at 31 March 2024 (31 March 2023 ₹1,159.49 million) is considered adequate.

The same assessment is done in respect of contract assets of ₹380.82 million as at 31 March 2024 (31 March 2023 ₹141.19 million) while arriving at the level of provision that is required. The expected credit loss allowance for contract assets of ₹15.23 million as at 31 March 2024 (31 March 2023 ₹5.65 million) is considered adequate.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

Other financial assets

The Company has adopted a policy of only dealing with counterparties that have sufficient credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

(C) Liquidity risk

The Company's principle sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements.

Further, the Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain financial assets (including mutual funds) which provide flexibility to liquidate at short notice and are included in current investments and cash equivalents. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required, which are reviewed periodically.

The Company's channel financing program ensures timely availability of finance for channel partners with extended and convenient re-payment terms, thereby freeing up cash flow for business growth while strengthening company's distribution network. Further, invoice discounting get early payments against outstanding invoices. Sales Invoice discounting is intended to save the Company's business from the cash flow pressure.

The Company has developed appropriate internal control systems and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and availability of alternative sources for additional funding, if required.

Corporate guarantees given on behalf of group companies might affect the liquidity of the Company if they are payable. However, the Company has adequate liquidity to cover the risk (Refer note 35(A)).

Maturity analysis

The table below summarises the maturity profile of the Company's financial assets and financial liabilities based on contractual undiscounted payments.

	31 March 2024			31 March 2023		
	< 1 year	> equal to 1 year	Total	< 1 year	> equal to 1 year	Total
(₹ million)						
Financial assets:						
Investments	18,036.45	-	18,036.45	13,504.95	-	13,504.95
Trade receivables	22,993.74	1,190.70	24,184.44	12,209.20	526.37	12,735.57
Cash & cash equivalents	2,551.44	-	2,551.44	1,219.98	-	1,219.98
Bank balance other than cash & cash equivalents	528.07	-	528.07	5,239.00	-	5,239.00
Loans	1,061.26	-	1,061.26	108.47	-	108.47
Other financial assets	314.19	248.99	563.18	293.41	53.21	346.62
	45,485.15	1,439.69	46,924.84	32,575.01	579.58	33,154.59
Financial liabilities:						
Lease liabilities	172.35	524.17	696.52	160.28	253.72	414.00
Other financial liabilities	2,397.86	147.24	2,545.10	1,651.53	-	1,651.53
Acceptances	18,619.66	-	18,619.66	12,257.56	-	12,257.56
Trade payables	9,471.69	-	9,471.69	7,700.14	-	7,700.14
	30,661.56	671.41	31,332.97	21,769.51	253.72	22,023.23



Notes to Standalone Financial Statements

for the year ended 31 March 2024

40. Hedging activity and derivatives

The company uses the following hedging types:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

(A) Fair value hedge of copper and aluminium price risk in inventory

- The Company enters into contracts to purchase copper and aluminium wherein the Company has the option to fix the purchase price based on LME price of copper and aluminium during a stipulated time period. Accordingly, these contracts are considered to have an embedded derivative that is required to be separated. Such feature is kept to hedge against exposure in the value of unpriced inventory of copper and aluminium due to volatility in copper and aluminium prices. The Company designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Company designates only the spot-to-spot movement of the copper and aluminium inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. Hedge accounting is discontinued when the hedging instrument is settled, or when it is no longer qualifies for hedge accounting or when the hedged item is sold.
- To use the Sell future contracts linked with LME to hedge the fair value risk associated with inventory of copper and aluminium. Once the purchases are concluded and its final price is determined, the Company starts getting exposed to price risk of these inventory till the time it is not been sold. The Company's policy is to designate the copper and aluminium inventory which are already priced and which is not been sold at that point in time in a hedging relationship against Sell LME future positions based on the risk management strategy of the Company. The hedged risk is movement in spot rates.

To test the hedge effectiveness between embedded derivatives/derivatives and LME prices of Copper and Aluminium, the Company uses the said prices during a stipulated time period and compares the fair value of embedded derivatives/derivatives against the changes in fair value of LME price of copper and aluminium attributable to the hedged risk.

The Company establishes a hedge ratio of 1:1 for the hedging relationships as the underlying embedded derivative/derivative is identical to the LME price of Copper and Aluminium.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item:

Changes in fair value of unpriced inventory attributable to change in copper and aluminium prices.

Hedging instrument:

Changes in fair value of the embedded derivative of copper and aluminium trade payables and sell future contracts, as described above.

(B) Cash flow hedge associated with highly probable forecasted purchases of copper and aluminium:

The Company has purchases of copper and aluminium which results in exposure to price risk due to ongoing movement in rates quoted on LME which affects the profitability and financial position of the Company. The risk management strategy is to use the Buy future contracts linked to LME to hedge the variation in cash flows of highly probable future purchases. The Company's policy is to designate the monthly copper and aluminium purchases as a highly probable forecasted transaction in a hedging relationship based on the risk management strategy of the Company.

Notes to Standalone Financial Statements

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As at 31 March 2024

		Carrying amount			Maturity date	Hedge Ratio	Balance sheet classification	Effective portion of Hedge - gain/(loss)	Ineffective portion of Hedge - gain/(loss)
Commodity price risk		Asset-increase/(decrease)	Liabilities-increase/(decrease)	Equity-increase/(decrease)					
Fair Value Hedge									
Hedged item	Inventory of Copper and aluminium	380.34	-	-	Range within 1 to 6 months	1:1	Inventory	(380.34)	(176.85)
	Highly probable future purchases	-	-	-		1:1	Cash flow hedge Reserve		
Hedging instrument	Embedded derivative in trade payables of Copper and aluminium	-	(1.99)	-	1:1	Current financial assets			
	Buy future contracts	-	-	-	1:1	Current financial liabilities			
	Sell future contracts	-	568.19	-	1:1	Current financial liabilities			

The following table presents details of amounts held in effective portion of Cash Flow Hedge and the period during which these are going to be released and affecting Statement of profit and Loss:

		As at 31 March 2024 Cash Flow hedge release to P&L			
		Less than 3 Months	3 Months to 6 Months	6 Months to 12 Months	Total
Commodity Price risk					
Sell Future Contracts - Copper		(310.36)	(42.94)	-	(353.30)
Sell Future Contracts - Aluminium		(12.79)	(14.25)	-	(27.04)

As at 31 March 2023

		Carrying amount			Maturity date	Hedge Ratio	Balance sheet classification	Effective portion of Hedge - gain/(loss)	Ineffective portion of Hedge - gain/(loss)
Commodity price risk		Asset-increase/(decrease)	Liabilities-increase/(decrease)	Equity-increase/(decrease)					
Fair Value Hedge									
Hedged item	Inventory of Copper and aluminium	76.85	-	-	Range within 1 to 6 months	1:1	Inventory	(76.85)	25.92
	Highly probable future purchases	-	-	-		1:1	Cash flow hedge Reserve		
Hedging instrument	Embedded derivative in trade payables of Copper and aluminium	-	26.18	-	1:1	Current financial liabilities			
	Buy future contracts	-	-	-	1:1	Current financial liabilities			
	Sell future contracts	-	76.17	-	1:1	Current financial liabilities			

The following table presents details of amounts held in effective portion of Cash Flow Hedge and the period during which these are going to be released and affecting Statement of Profit and Loss:

		As at 31 March 2023 Cash Flow hedge release to P&L			
		Less than 3 Months	3 Months to 6 Months	6 Months to 12 Months	Total
Commodity Price risk					
Sell Future Contracts - Copper		(59.71)	-	-	(59.71)
Sell Future Contracts - Aluminium		0.01	-	-	0.01



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for the year ended 31 March 2024

The Board of Directors has constituted a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan of the Company which inter-alia covers risks arising out of exposure to foreign currency fluctuations. Under the guidance and framework provided by the RMC, the Company uses various derivative instruments such as foreign exchange forward in which the counter party is generally a bank. For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective is to maximise the shareholders value.

The Company has entered into derivative instruments by way of foreign exchange forward contracts, which are, as per the requirements of Ind AS 109, measured at fair value through profit and loss account. The notional amount of outstanding contracts and loss/(gain) on fair valuation of such contracts are given below:

	(₹ million)	
	31 March 2024	31 March 2023
Foreign exchange forward contracts- Buy	5,303.28	4,498.70
Foreign exchange forward contracts- Sale	(4,684.74)	(1,576.27)
	618.54	2,922.43
Fair valuation loss/ (gain) on foreign exchange forward contracts	(12.59)	11.25

41. Financial performance ratios:

A Performance Ratios

	Numerator	Denominator	31 March 2024	31 March 2023	Variance
A Performance Ratios					
Net Profit ratio	Profit after tax	Revenue from operations	9.80%	9.12%	0.7%
Net Capital turnover ratio	Revenue from operations	Working capital	3.55	3.28	8.3%
Return on Capital employed	Profit before interest and tax	Capital employed	29.52%	25.92%	3.6%
Return on Equity Ratio	Profit after tax	Average shareholder's equity	24.00%	20.97%	3.0%
Return on investment (i)	Closing less opening market price	Opening market price	75.87%	21.81%	54.1%
Debt Service Coverage ratio (ii)	Earnings available for debt services	Debt Service	18.17	25.54	(28.8%)
B Leverage Ratios					
Debt-Equity Ratio	Total Debt	Shareholder's equity	-	-	0.0%
C Liquidity Ratios					
Current Ratio	Current Assets	Current Liabilities	2.48	2.70	(8.1%)
D Activity Ratio					
Inventory turnover ratio	Cost of goods sold	Average inventory	4.38	4.15	5.5%
Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	9.78	11.07	(11.7%)
Trade Payables turnover ratio	Net credit purchases	Average trade payable*	5.50	6.88	(20.0%)

Note: Explanation for change in ratio by more than 25%

- (i) Return on investment movement is in line with market price of share.
- (ii) Acceptances and lease liabilities have increased and corresponding interest cost has risen as compared to FY 2022-23. Hence, decrease in debt coverage ratio.

* Average trade payable is the average of opening and closing balance of acceptances and trade payable balances.

42. Struck off Company:

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

Notes to Standalone Financial Statements

for the year ended 31 March 2024

43. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective is to maximise the shareholders value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The capital structure is governed by policies approved by the Board of Directors and monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, lease liabilities and other payables, less cash and cash equivalents and current investments.

	(₹ million)	
	31 March 2024	31 March 2023
Other payables (Refer note 21)	2,545.10	1,651.53
Lease liabilities (Refer note 18)	512.44	358.45
Less: Cash and cash equivalents (Refer note 9)	(2,551.44)	(1,219.98)
Less: Current investments (Refer note 7B)	(18,036.45)	(13,504.95)
Net debt	(17,530.35)	(12,714.95)
Equity (Refer note 16 and 17)	81,444.12	66,054.34
Total capital	81,444.12	66,054.34
Capital and net debt	63,913.77	53,339.39
Gearing ratio	(27.43%)	(23.84%)

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 and year ended 31 March 2023.

44. Environmental, Social and Governance (ESG)

As a socially and environmentally responsible business, committed to the highest standards of corporate governance, the Company is focused on growing sustainably to build long-term stakeholder value by embracing sustainable development. The Company aims to deliver value to its employees, customers, suppliers, partners, shareholders and society as a whole. In this regard, the Company has developed a robust ESG framework that will align it to the best global standards and serve as a guide for the implementation of sustainable business practices.

45. Scheme of Amalgamation

The Board of Directors of the Company, at its meeting held on 18 October 2022, had considered and approved a Scheme of Amalgamation between the Company and Silvan Innovation Labs Private Limited, a wholly owned subsidiary of the Company on a going concern basis. The appointed date of the Scheme is 01 April 2022. The Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench, vide its order dated 08 August 2023 has approved the Scheme of Amalgamation with the appointed date of the Amalgamation being 01 April 2022.

The details of the transferor company are as below:

Name of the transferor company	Silvan Innovation Labs Private Limited
General nature of the business	IOT and Home automation
Appointed date of the Scheme	01 April 2022
Description and number of shares issued	Nil
% of Company's equity shares exchanged	Nil

The amalgamation have been accounted in the books of account of the Company in accordance with Ind AS 103 'Business Combination' read with Appendix C to Ind AS 103 specified under Section 133 of the Act, read with the Companies (Accounting Standards) Amendment Rules, 2016.



Notes to Standalone Financial Statements

for the year ended 31 March 2024

Accounting treatment:

- (i) The assets, liabilities and reserves including but not limited to goodwill of Silvan Innovation Labs Private Limited have been incorporated in the financial statements at the carrying values as appearing in the consolidated financial statement of the Company. The only adjustments are made to harmonise the accounting policies.
- (ii) Inter-Company balances and transactions have been eliminated.
- (iii) 321,081 compulsory convertible preference shares and 780,700 compulsorily convertible debentures fully paid in Silvan Innovation Labs Private Limited held as investment by the Company stands cancelled.
- (iv) The financial information in the standalone financial statements in respect of prior period have been restated as if business combination had occurred from the beginning of the preceding period in the standalone financial statements as the appointed date of merger is 01 April 2022.
- (v) Goodwill amounting to ₹46.22 million recognised on acquisition of Silvan Innovation Labs Private Limited and appearing in the consolidated financial statements has now been recognised on merger.

Pursuant to the Scheme of merger, the authorised equity share capital of the Company has been increased by the authorised equity share capital of the erstwhile Silvan Innovation Labs Private Limited.

The value of assets and liabilities taken over from the transferor company as on the appointed date 01 April 2022 are as below:

Particulars	(₹ million) As at 01 April 2022
Total Non-Current assets (including goodwill amounting to ₹46.22 million)	80.17
Total Current assets	14.53
Total Assets (A)	94.70
Total reserves	14.42
Total Non-Current Liabilities	17.12
Total Current Liabilities	63.16
Total Liabilities (B)	94.70
Total identified assets acquired (C)= (A)-(B)	-
Cost of investment in merged company (D)	-
Net impact transferred to capital reserve (C)-(D)	-

Below is the summary of previously reported and restated financial numbers:

Particulars	Quarter ended 31 March 2023 (Reported)	Quarter ended 31 March 2023 (Restated)	Impact in %
Total Revenue	43,414.20	43,411.87	(0.01%)
Total Expenses	37,654.03	37,661.49	0.02%
Profit before tax	5,760.17	5,750.38	(0.17%)
Basic Earnings Per Share	28.91	28.87	(0.15%)
Diluted Earnings Per Share	28.83	28.78	(0.18%)

Notes to Standalone Financial Statements

for the year ended 31 March 2024

Particulars	Year ended 31 March 2023 (Reported)	Year ended 31 March 2023 (Restated)	Impact in %
Total Revenue	140,476.53	140,493.08	0.01%
Total Expenses	123,589.60	123,642.73	0.04%
Profit before tax	16,886.93	16,850.35	(0.22%)
Basic Earnings Per Share	84.98	84.81	(0.20%)
Diluted Earnings Per Share	84.72	84.54	(0.20%)

46. The Income-Tax authorities ('the department') had conducted search activity during the month of December 2023 at some of the premises, plants and residences of few of the employees of the Company. The Company extended full cooperation to the Income-tax officials during the search and provided required details, clarifications, and documents. As on the date of issuance of these standalone financial statements, the Company has not received any written communication from the department regarding the outcome of the search, therefore, the consequent impact on the standalone financial statements, if any, is not ascertainable. The Management, after considering all available records and facts known to it, is of the view that there is no material adverse impact on the financial position of the Company and no material adjustments are required to these standalone financial statements for the quarter and year ended 31 March 2024 in this regard.

47. Events after the reporting period

No significant adjusting event occurred between the balance sheet date and date of the approval of these standalone financial statements by the Board of Directors of the Company requiring adjustment or disclosure.

48. Others

Figures representing ₹0.00 million are below ₹5,000.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Bhavesh Dhupelia
Partner
Membership No. 042070

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Place: Mumbai
Date: 10 May 2024

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Place: Mumbai
Date: 10 May 2024

Manita Gonsalves
Company Secretary
Membership No. A18321